



MINUTES
REGULAR MEETING OF THE BOARD OF DIRECTORS
EL DORADO IRRIGATION DISTRICT
District Board Room, 2890 Mosquito Road, Placerville, California
January 14, 2008 ~ 9:00 a.m.

Board of Directors
2008

GEORGE W. OSBORNE
BOARD PRESIDENT
Division I

George A. Wheeldon
Board Vice President
Division IV

John P. Fraser
Division II

Bill George
Division III

Harry J. Norris
Division V

General Manager and
Executive Staff

DAVID WITTER
INTERIM GENERAL MANAGER
Environmental Compliance and Water Policy

Thomas D. Cumpston
General Counsel

Peg Campbell, Clerk to the Board

Deanne Kloepfer, Strategic Management and
Communications

Philip Knapik, Finance and Management
Services

Don Pearson, Recreation

Steve Setoodeh, Facilities Management

PUBLIC COMMENT: Anyone wishing to comment about items not on the agenda may do so during the public comment period. Public comments are limited to five minutes. Those wishing to comment about items on the Agenda may do so when that item is heard and when the Board calls for public comment.

CALL TO ORDER

President Osborne called the meeting to Order at 9:02 a.m. Directors Osborne, Fraser, George, Wheeldon and Norris present. Interim General Manager Witter, General Counsel Cumpston, and Clerk to the Board Campbell present. The Pledge of Allegiance and a moment of silence for the troops overseas were led by President Osborne.

ADOPT AGENDA

The Agenda was adopted.

NGOFW

APPROVE CONSENT CALENDAR

Director George pulled Item 4. The Consent Calendar was subsequently approved.

GNOFW

PUBLIC COMMENT

None

BOARD OF DIRECTORS / CLERK TO THE BOARD COMMUNICATIONS

Director George made a presentation on BlackBerry phones. There was a BlackBerry lost last year, and Director George presented the “found” BlackBerry back to the happy person who lost it.

President Osborne discussed the mandated ten percent reductions in expenses for the District in the next fiscal year. In that vein, the Board is going to curtail certain trips this year. Neither Cap-to-Cap nor ACWA’s Washington D.C. conference will be attended to curtail expenditures. Director Fraser and Director George will attend the Furman Group’s “EID’s Congressional appropriations trip” to Washington, D.C. Director Fraser will also attend the National Water Resource Association’s trip to Washington, D.C. in April for the same reason. In the past, these trips have been very successful for the District. Director Osborne listed a few of the grants and appropriations we have received totaling over fifteen million dollars that came about because of these trips. He said the Board is very willing to do their part and will continue to be cognizant of expenditures throughout the year and limit them.

Director Norris wanted to point out that staff has volunteered to take some pretty big cuts as well this year. We are tightening up as much as we can. We are all pulling together because ten percent is a huge cut.

Clerk to the Board Campbell asked President Osborne and the Board if they had received a letter from John Costa who is with the Building Industry Association. The letter was asking the Board to delay voting on the Public Hearing Item on today’s Agenda. The Board affirmed that they had received the letter.

GENERAL MANAGER’S COMMUNICATIONS

- 1) Awards, Recognitions, Thanks:
 - a) Welcome to the District, **Kant Lee**. Kant has been hired as a replacement to the position of Wastewater Treatment Plant Operator In-Training. Kant will report to Joe Butler in the Wastewater Division of the Facilities Management Department.
 - b) Welcome to the District, **Corey Burnett**. Corey has been hired as a replacement to the position of Distribution Operator. Corey will report to Dana Strahan in the Facilities Management Department.
 - c) Congratulations, **Cheri Jaggars**. Cheri has been promoted to the position of Co-Manager, Recreation-Administrative Services. Cheri will report to Don Pearson in the Recreation Department.
 - d) Congratulations, **Mike Petersen**. Mike has been promoted to the position of Co-Manager, Recreation-Operations and Field Services. Mike will report to Don Pearson in the Recreation Department.

General Manager's Communications (continued)

- e) We received a letter from Kevin S. Milligan, Utilities Assistant General Manager with the City of Riverside wanting to express his sincere gratitude for the recent facilities tour. He wrote, "Mr. **(Joe) Butler**, Mr. **(Mike) Roberts** and Mr. **(Doug) Venable** were very knowledgeable and gracious in answering our many questions about your system and program. We were quite impressed with the work your District in undertaking to maximize the use of California's most precious resource." - (letter attached)
- f) Congratulations, **Director John Fraser**. Director Fraser has been appointed to the National Water Resources Association Board of Directors.
- g) Happy Birthday, **President George Osborne!**
- 2) Federal Regulatory/Intergovernmental Updates and Grants:
 - None
- 3) State Regulatory/Intergovernmental Updates and Grants:
 - a) Grant Funding Obtained for Sly Park Hazel Meadow Habitat Restoration – Summary by Dena McCann and Dan Corcoran
- 4) Regional Regulatory/Intergovernmental Updates and Grants:
 - None
- 5) Staff Report, Updates, Heads-up:
 - a) Certificate of Achievement for Excellence in Financial Reporting - Summary by Phil Knapik
 - b) Storm Damage -- Chemical Release -- EDHWWTP - Summary and PowerPoint presentation by Mike Bristow and Vickie Caulfield
 - c) December 2007 Generation Revenue Report - Summary by Len Marino and Gary Buzby
- 6) Upcoming Events, Meetings, Conferences, and Programs:
 - a) Board / Department Head Coordination Workshop - February 4

CONSENT ITEMS

1. Finance and Management Services (Frankhouser)

Approval of EID General Warrant Registers for the periods ended November 27, 2007, December 04, 2007 and December 11, 2007, and Board Expense Reimbursements for these periods.

Action: Option 1: Ratified the EID General Warrant Register as submitted to comply with Section 24600 of the Water Code of the State of California. Received and filed Board Expense Reimbursements. GNOFW

2. Finance and Management Services (Frankhouser)

Approval of EID General Warrant Registers for the periods ended December 18, 2007, December 24, 2007 and December 31, 2007, and Board Expense Reimbursements for these periods.

Action: Option 1: Ratified the EID General Warrant Register as submitted to comply with Section 24600 of the Water Code of the State of California. Received and filed Board Expense Reimbursements. GNOFW

Consent Items (continued)

3. Office of the General Counsel (Hilton)

Consideration of three Resolutions accepting Grants of Easement for water and/or sewer pipelines:

1. Blue Oaks Elementary School/APN: 119-190-02
2. Handler Building/APN:109-480-28
3. Handler Building/APN:109-480-29

Action: Option 1: Adopted three resolutions, numbers 2008-001 through 2008-003, accepting Grants of Easement as submitted. GNOFW

4. Office of the General Counsel (Cumpston)

Consideration of Further Revised EDWPA Cost Sharing Agreement.

Action: Option 1: Authorized execution of the further revised Cost Share Agreement with El Dorado County, El Dorado County Water Agency, El Dorado Water and Power Authority, and Georgetown Divide Public Utility District. GNOFW

5. Finance and Management Services (Frankhouser)

Resolutions certifying signatures on District's bank accounts.

Action: Option 1: Adopted four resolutions, numbers 2008-004 through 2008-007, re-authorizing the accounts and certifying signatures for Bank of America, El Dorado Savings Bank, Columbia Bank and Trust, and Union Bank of California. GNOFW

6. Environmental Compliance and Water Policy (Betancourt)

Consideration of a resolution authorizing the Interim General Manager to sign and submit a grant proposal to the California Department of Conservation for Proposition 50 money funding EID's Watershed Coordinator position.

Action: Option 1: Adopted Resolution Number 2008-008, authorizing the Interim General Manager to sign and submit a grant proposal to the California Department of Conservation for Proposition 50 money funding EID's Watershed Coordinator position. GNOFW

7. Director Item (Campbell)

Discussion and concurrence of 2008 Standing Committee and Association Assignments.

Action: Option 1: Concurred with Board President's proposed Standing Committee Chair and Co-chair, and outside organizational appointments for 2008. GNOFW

8. Clerk to the Board (Campbell)

Approval of minutes of the (8A) December 10, 2007 Regular Board Meeting and the (8B) December 11, 2007 Special Board Meeting.

Action: Option 1: Approved as submitted. GNOFW

END OF CONSENT CALENDAR

DIRECTOR ITEM

9. Director Item (Campbell)

Proposed alternative 2008 Board meeting schedule.

Action: Option 2: Adopted the Board meeting schedule for the year 2008, re-scheduling the Board meetings that fall on District holidays or conflicting schedule dates, with one change: that the October 15th meeting be moved to October 6th. WNOFG

PUBLIC HEARING 10:30 A.M.

10. Finance and Management Services (Price/Knapik)

Consideration of resolution for the adoption of the El Dorado Irrigation District's updated Facility Capacity Charges (FCCs).

Mr. Doug Dove from Bartle Wells Associates gave a PowerPoint presentation.

Mr. John Costa from the Building Industry Association asked that the Board delay adopting the updated Facility Capacity Charges so that they can study the figures.

Mr. Don Barnett would like the Board to delay adopting the updated FCCs.

Mr. Kirk Bone said that he understood that there would be one more committee meeting before the Board adopts the updated FCCs.

Mr. Albert Hazbun representing himself and his personal views. He thanked both staff and Bartle Wells Associates for all their work, he then voiced his concerns.

Action: Option 1: Adopt resolution number 2008-0__ approving the updated facility capacity charges (FCCs) reflected in the attached FCC schedules and revised meter size-to-EDU ratios to be effective immediately and direct staff to return to the Board annually for consideration of updates to the FCCs.

Action: Option 2: Board to provide staff with other direction.

Action: Option 3 Take no action.

Recommended Action: Option 1

President Osborne continued this item (Item 10) until February 11, 2008.

ACTION ITEMS

11. Finance and Management Services (Griffin)

Headquarters Project Phase II (Annex) Furniture and Equipment Purchase Authorization.

Action: Option 1: Authorized purchase of furniture and equipment for the Headquarters Project Phase II (Annex) from Walker's Business Products and Services, piggy-backing off of El Dorado County's competitively awarded Agreement for Services #611-S0511, for the amount of \$381,109.90. FGOWN

Action Items (continued)

12. Facilities Management (Wells/Mueller)

Consideration of recommendation to approve a reimbursement agreement with El Dorado County in the estimated amount of \$1,669,553 for the abandonment, relocation and installation of water and recycled water pipelines for the County's Latrobe Road Realignment, Widening and Bridge Project, District Project Numbers 07014E and 03003E, and authorize funding for the project.

Action: Option 1:

- 1) Approved Construction Responsibility and Reimbursement Agreement with the County of El Dorado in the estimated amount of \$1,669,553 for the abandonment, relocation and installation of water and recycled water facilities for the County's Latrobe Road Realignment, Widening and Bridge Project, District Project Numbers 03003E and 07014E, and
- 2) Authorized a total funding request of \$787,074 for Project No. 03003E. WFOGN

13. Finance and Management Services (Frankhouser)

Request to award Auditing Services for fiscal years ending December 31, 2007, 2008, and 2009.

Action: Option 1: Authorized the General Manager to enter into a professional services agreement with Maze & Associates in the not-to-exceed amount of \$117,445. The agreement will provide audit services for the fiscal years ending December 31, 2007, 2008, and 2009. This includes a two-year extension option to 2011 in the not-to-exceed amount of \$84,718. Contract has an additional provision for single audit services which is included in the figures above. FGOWN

14. Facilities Management (Megerdigian)

Consideration of award of a professional services contract to Carlton Engineering for replacement design of Flumes 2, 2A, 3, 8&9, 41, 46A, 47, and 51 and Spillway 47C in the amount of \$1,089,285 and staff time in the amount of \$161,000 for a total funding amount of \$1,250,285.

Action: Option 1: Awarded a professional services contract to Carlton Engineering for replacement design of Flumes 2, 2A, 3, 8&9, 41, 46A, 47, and 51 and Spillway 47C in the amount of \$1,089,285 and staff time in the amount of \$161,000 for a total funding amount of \$1,250,285. WFOGN

15. Finance and Management Services/ Strategic Management and Communications (McDonald/Buzby/Coleman/Knapik)

Reservoir Line and Cover Surcharge for new SRF loans.

Mr. Randy Pesses from the City of Placerville stated he is supporting Option 3.

Director Norris moved Option 3 and Director George seconded the motion. President Osborne proposed an amendment to the motion to add a process by which agricultural accounts could be exempted from the surcharge by certifying that they use no potable water. The proposed amendment was not accepted by the motion maker and therefore was not part of the action taken.

Action: Option 3: Using alternative three, directed staff to prepare and mail the necessary Proposition 218 notification and set the Public Hearing for March 10, 2008. NGOFW

Action Items (continued)

16. Office of the General Counsel (Cumpston)

Consideration of award of a professional services contract to Westin Engineering, Inc. for a comprehensive management and organizational assessment.

Action: Option 1: Awarded a professional services contract to Westin Engineering, Inc. for a comprehensive management and organizational assessment in the not-to-exceed amount of \$85,582. WGOFN

**TIMED INFORMATION
ITEM 10:00 A.M.**

17. Recreation (Pearson/Jaggers)

Proposed Sly Park Recreation Fee Increase.

Due to advice from General Counsel of a conflict of interest, Director Osborne did not attend the presentation of this item, but recused himself.

Mr. Bill Wirts (EID customer) brought up his concern about retirees with fixed income, mooring their boats.

Ms. Kandis Gaughan (EID customer 5 years) her concern about mooring increase without the convenience of showers, hot water, etc. that other larger lakes have. Since most campers come from out of town, why not raise the rates in camping and keep mooring lower?

Ms. Scotty Kucala asked if there could be a one or two year rotating way of renting out the mooring spots so that the people on the waiting list would have a chance.

Mr. Lee Chuisano commented on the large number of boats on the lake. He feels as the lake is way over crowded with boats. He agrees we have to raise the rates, but asked if we had looked into making a multiple-use passes.

Ms. Eileen Scates has waited over seven years for a mooring site. She stated that local people should have priority.

Action: No action - information only.

CLOSED SESSION

A. Closed Session pursuant to Gov. Code Section 54946.9 (Cumpston)

Conference with General Counsel – Existing Litigation pursuant to Government Code Section 54956.9(a) *EID v. Travelers Casualty & Surety Company of America, Traylor Brothers, Inc.*, United States Circuit Court of Appeals for the Ninth Circuit, Case No. 07-15420.

Board conferred with and gave direction to staff but took no reportable action.

**BOARD COMMENTS/
DIRECTION TO STAFF**

None

REVIEW OF ASSIGNMENTS

Directors Osborne gave direction to staff that funds not be allocated on the EDWPA Cost Sharing Agreement until the JPA amendment is worked out.

Director Fraser asked the Clerk to the Board to send the Board an updated Board calendar.

Director Norris requested that the Proposed Sly Park Recreation Fee Increase be re-agendized for the January 28th meeting as an Information Item.

President Osborne requested that the adoption of the El Dorado Irrigation District's updated Facility Capacity Charges (FCCs) be re-agendized for February 11, 2009.

ADJOURNMENT

President Osborne adjourned the meeting at 2:34 p.m.

George Osborne,
President, Board of Directors
EL DORADO IRRIGATION DISTRICT

ATTEST:

Peg Campbell,
Clerk to the Board