



MINUTES
REGULAR MEETING OF THE BOARD OF DIRECTORS
EL DORADO IRRIGATION DISTRICT
District Board Room, 2890 Mosquito Road, Placerville, California
February 11, 2008 ~ 9:00 a.m.

Board of Directors

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 per person. 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 9:00 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 were led by Bob Reeb in honor of Seth Reeb and the rest of our troops around the world.

ADOPT AGENDA

The Agenda was adopted.

GNOFW

APPROVE CONSENT CALENDAR

Director Fraser pulled Item 3 for further discussion. The Consent Calendar was subsequently approved.

NGOFW

PUBLIC COMMENT

None

BOARD OF DIRECTORS / CLERK TO THE BOARD COMMUNICATIONS

Director George suggested that people not park along the curb near any of the EID driveways, because it is so hard to see oncoming traffic. To help in the parking situation, there will only be two marked Director parking spots until the back parking lot opens up.

Director Osborne shared a few pictures of Jenkinson Lake in the snow. He wanted to show just how beautiful the lake was even in the dead of winter.

GENERAL MANAGER'S COMMUNICATIONS

- 1) Awards, Recognitions, Thanks:
 - a) Welcome to the District, **Gregory McDonald**. Gregory has been hired as a replacement to the position of Meter Technician I. Gregory will report to John Schlegel in the Strategic Management and Communications Department.
 - b) Welcome to the District, **James Pritchard**. James has been hired as a replacement to the position of Water Construction Supervisor. James will report to Myron Gonsalves in the Construction Division of the Facilities Management Department.
 - c) Welcome to the District, **Robert Isgrigg**. Robert has been hired as a replacement to the position of Water Treatment Plant Operator IV. Robert will report to Kurt Mikkola in the Drinking Water Division of the Facilities Management Department.
 - d) Congratulations, **Tina Stewart**. On January 29, Tina Stewart, Human Resources Manager obtained certification as a "Professional in Human Resources" by the Human Resource Certification Institute.
 - e) We received a letter from Erik Peterson, Assistant Chief / Fire Marshall expressing their sincere thanks and appreciation to EID for our continued community support. They are "most appreciative of the fine work performed by **Mike Marchand, Steve Hilton, James Young and Justin Childers**. - (letter attached)
- 2) Federal Regulatory/Intergovernmental Updates and Grants:
 - a) Reclamation Announces Preliminary 2008 Central Valley Project Water Supply Outlook - Summary by Liz Mansfield and Sharon Fraser
- 3) State Regulatory/Intergovernmental Updates and Grants:
 - a) CWEA Chairperson Award - Summary by Shane Jiang
- 4) Regional Regulatory/Intergovernmental Updates and Grants:

None
- 5) Staff Report, Updates, Heads-up:

None
- 6) Upcoming Events, Meetings, Conferences and Programs:
 - a) Board / Department Head Coordination Workshop - February 20
- 7) Jenkinson Lake at Sly Park:

As of February 3, Jenkinson Lake has 28,595 acre-feet of storage which is 70% of full capacity.

CONSENT ITEMS

1. **Finance and Management Services (Frankhouser)**

Ratification of EID General Warrant Registers for the periods ended January 22, 2008, and January 29, 2008, and Board Expense Reimbursements for these periods.

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

Consent Items (continued)

- 2. Environmental Compliance and Water Policy (Mansfield/Witter)**
Approval of Government Relations Consulting Services by the Furman Group.

Action: Option 1: Approved the one-year contract for Government Relations Consulting Services with the Furman Group in the not-to-exceed amount of \$132,000, plus out-of-pocket expenses. NGOFW

- 3. Finance and Management Services (Buzby/Knapik)**
Investment Report for quarter ended December 31, 2007.

Action: Option 1: Received and filed the Investment Report. EGOWN

- 4. Clerk to the Board (Campbell)**
Approval of Minutes of the January 28, 2008 Regular Board Meeting.

Action: Option 1: Approved minutes as submitted. NGOFW

END OF CONSENT CALENDAR

ACTION ITEMS

- 5. Environmental Compliance and Water Policy (Witter)**
State Legislative Update

Action: Option 1: Ratified recommendations on proposed State Legislation as presented. GROWN

- 6. Finance and Management Services (Price)**
Consideration of a professional services contract change order to Eskel Porter Consulting, Inc. for \$249,290 for additional in-scope services, for \$118,460 for out-of-scope software customization services, and for \$202,720 for additional professional services related to training; software upgrade assistance and scoping and implementation services for the integration of the Development Services functions into the Hansen Utility Billing, Hansen Asset Management and Microsoft GP software products for a total funding request of \$570,470; for the ERP System Upgrade, Project No. 05006G.

Action: Option 1: Approved a professional services contract change order to Eskel Porter Consulting, Inc. for \$249,290 for additional in-scope services, for \$118,460 for out-of-scope software customization services, and for \$202,720 for additional professional services related to training; software upgrade assistance and scoping and implementation services for the integration of the Development Services functions into the Hansen Utility Billing, Hansen Asset Management and Microsoft GP software products for a total funding request of \$570,470; for the ERP System Upgrade, Project No. 05006G. GWFN aye O no

- 7. Finance and Management Services (Frankhouser)**
Funding approval for District Capital Improvement Plan (CIP) Projects.

Action: Option 1: Authorized funding for the CIP Project as requested in the amount of \$50,000. GWOFN

Action Items (continued)

8. Environmental Compliance and Water Policy (Mansfield)
Adoption of the Drought Preparedness Plan.

Action: Option 1: Adopted the Drought Preparedness Plan as submitted.

WGOFN

9:30 TIMED INFORMATION ITEM

9. Finance and Management Services (Buzby/Knapik)
2008 Financing Plan Update.

Phil Knapik gave an overview PowerPoint presentation to the Board.

Dave Houston went into detail on the bond insurer situation. He also answered questions from the Board.

Recommended Action: No action - information only

INFORMATION ITEM

10. Facilities Management (Strahan)
Chlorine Use in our Drinking Water

Dana Strahan gave a PowerPoint presentation on chlorine use in our drinking water.

Recommended 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 counsel and staff but took no reportable action.

B. Closed Session pursuant to Gov. Code Section 54957 (Cumpston)
Public Employee Appointment/Employment pursuant to Government Code Section 54957(b)(1). Position Title: General Manager. Recruitment process discussion.

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

C. Closed Session pursuant to Gov. Code Section 54956.9 (Cumpston)
Conference with Legal Counsel – Potential Initiation of Litigation pursuant to Government Code Section 54956.9(c). One potential case.

Motion by Director George, Seconded by Director Norris, and passed by a 5-0 vote, the Board determined that two EID Directors appointed by Director Osborne are to meet directly with two or three Directors of Sacramento Municipal Utility District to pursue further negotiation of the headwater benefits owed by SMUD's Upper American River Project to EID's Project 184.

D. Closed Session pursuant to Gov. Code Section 54956.9 (Cumpston)
Conference with Legal Counsel – Potential Initiation of Litigation pursuant to Government Code Section 54956.9(c). One potential case.

Motion by Director Fraser, Seconded by Director George, and passed on a 4-1 vote with Director Wheeldon voting 'no', the Board approved a proposed settlement agreement with Mead & Hunt relating to problems associated with the Project 184 diversion dam at Kyburz; and directed Counsel to draft a settlement agreement jointly with Mead & Hunt's counsel to be signed by the District's General Manager once it is approved as to form by Counsel. That settlement agreement when fully executed by the parties will be a public document available upon request.

**BOARD COMMENTS/
DIRECTION TO STAFF**

None

REVIEW OF ASSIGNMENTS

None

ADJOURNMENT

President Osborne adjourned the meeting at: 3:14 p.m.

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

ATTEST:

Peg Campbell,
Clerk to the Board