

EID Reports



Summary of the March 8, 2010 EID Board Meeting

El Dorado Irrigation District — serving people, agriculture, businesses, and the environment in El Dorado County since 1925

For Immediate Release

March 9, 2010

EID Debt Restructuring Saves \$12 Million over Next Three Years

- AmeriCorps Volunteers Welcomed to the District

Placerville, CA... During the March 8 board meeting, the El Dorado Irrigation District board of directors heard from general manager Jim Abercrombie that the recent action taken to restructure a portion of the district's debt "has paid off. We completed the process in about a month and saved \$12 million for the district and our customers over the next three years. The restructuring was key to our ability to drop the proposed 2010 rate increase from 35 percent to 18 percent."

Abercrombie explained that the debt restructuring "is one of four actions we committed to in developing Plan B, the alternative to the original 2010 rate increase we proposed last November. Besides the debt restructuring, we also said we'd defer or eliminate capital improvement projects, where possible, to save cash. And we said we'd continue to seek higher prices for the hydroelectric power we generate through negotiations with buyers and more cost controls through negotiations with our employees' union.

"Two of those actions—the debt restructuring and deferral of capital improvement projects—are completed. And we hope to bring a new contract with the employees to the board for approval by March 29." Abercrombie and Doug Venable, EID environmental compliance technician and president of the district's employees' association, both commented on the professional, respectful manner in which the contract negotiations have taken place.

As an example of other cost-savings, finance director Mark Price reported that variable interest rate instruments, which finance a portion of the district's debt, continue to benefit EID. "Since 2003, this financing method has saved us more than \$11.5 million in interest over what it would have cost us under fixed rates," Price said. "Currently, we're saving about \$80,000 a week."

AmeriCorps Volunteers Join the District

EID natural resources director David Witter announced that two AmeriCorps volunteers, Sara Kaner and Shelby Perry, are working with the district this year. Kaner, who studied natural resources and environmental education at the University of Minnesota, is a watershed and recreation assistant focusing on the regional watershed plan and helping to coordinate a volunteer program and recreation restoration at Sly Park Recreation Area. Perry, a recent graduate of Rensselaer Polytechnic Institute in environmental engineering and a former Peace Corps volunteer, also works on implementing the watershed plan, including outreach, education, and water quality sampling.

"Our first experience with the AmeriCorps program, in 2009, was very successful," Witter said, "and we look forward to a great year in partnership with Sara and Shelby."

Readers can learn more about AmeriCorps by visiting www.americoprps.gov.

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Other Business

- The board awarded an \$894,000 construction contract to Doug Veerkamp General Engineering, Inc., a local firm, for the bridge replacement project at the district's Deer Creek wastewater treatment plant. The project is needed to provide safe, 24/7 year-round access to the plant during both staffed and non-staffed hours of operation.
- The board approved a construction responsibility and reimbursement agreement between El Dorado County and the district for the Green Valley Road at Tennessee Creek bridge replacement project. The board will consider funding for EID's share of the project at a future meeting.

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