

EID Reports



Summary of the June 14, 2010 EID Board Meeting

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

For Immediate Release
June 15, 2010

Long-Term Water Contract Closer to Completion

- Cost-Share Agreement with El Dorado County Water Agency Discussed
- 2009 Independent Audit Gives “Clean” Opinion on EID Finances

Placerville, CA... El Dorado Irrigation District is a step closer to entering into a long-term water contract with the U.S. Bureau of Reclamation for up to 4,560 acre-feet of water that the district has rights to. The water, taken from Folsom Reservoir, is comprised of pre-1914 ditch water rights (from Weber, Slab, and Hangtown creeks), and water storage rights from Weber Reservoir. The water is taken from Folsom Reservoir through EID’s pumping facility at the reservoir to meet customer demand in the El Dorado Hills area.

EID has been working since 2004 to obtain a longer-term contract, which would alleviate the need to negotiate a contract every year. “The National Marine Fisheries Service recently sent its concurrence to the Bureau of Reclamation regarding the long-term agreement,” EID’s general manager Jim Abercrombie told the EID board during the board’s June 14 meeting. “The Fisheries Service indicated the impact of the transferred water on Folsom’s coldwater storage is expected to be ‘insignificant’ and would be unlikely to limit water temperature requirements for the lower American River. The Fisheries Service concluded that this long-term contract is unlikely to adversely affect salmon, steelhead trout, and other endangered species.”

The Fisheries Service concurrence clears the way for the Bureau of Reclamation to make a final decision whether or not to sign the long-term contract. EID expects a decision this summer.

Modification of Cost-Share Agreement with County Water Agency under Consideration

EID general counsel Tom Cumpston asked for direction from the board on potential changes to EID’s cost-share agreement with the El Dorado County Water Agency (EDCWA) for water supplies from the federal Central Valley Project.

As background, Public Law 101-514, effective November 1990, authorized a new Central Valley Project water service contract with EDCWA for 15,000 acre-feet of water to be purveyed by EID and the Georgetown Divide Public Utilities District. Since April 1995, agreements have been in place among the three agencies to share the costs of pursuing the water supply, including environmental reviews and contract negotiations.

Legal counsel at EDCWA has recommended that the existing cost-share agreements be canceled, with the water agency recovering its project development costs through the price of the water it ultimately sells to EID and Georgetown Divide. In addition, EDCWA suggested that past cost-share payments could be booked as credit toward the future water purchases. To date, EID has paid approximately \$500,000.

The board directed Cumpston to continue talks with EDCWA.

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2009 Independent Audit Completed

The board received and unanimously voted to file an independent audit of the district's 2009 financial statements, and the news was once again positive. A clean opinion is the highest level of assurance an auditor can issue, according to Tim Krisch, CPA of Maze & Associates. This is the third year that Maze & Associates has performed the audit.

Other Business

- Staff presented an information item concerning the district's memorandum of understanding with Serrano Associates, LLC. "The MOU required that Serrano fulfill compliance requirements for front and backyard recycled water irrigation within the development," said Elizabeth Wells, EID's wastewater/recycled water engineering manager. "The MOU has come to an end, and we believe Serrano's price to continue to fulfill the compliance requirements is not cost-effective for EID or its ratepayers." EID will now conduct the compliance requirements for recycled water residential irrigation within the Serrano development. EID currently performs these services for the rest of its recycled water customers. District staff is working to ensure a smooth transition and analyze a potential fee structure to address the compliance costs.

For more information, contact Deanne Kloepfer or Jesse Saich at 530-622-4513.