

EID Reports



Summary of the August 23, 2010 EID Board Meeting

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

For Immediate Release: Wednesday, August 25, 2010

District to Sign Long-Term Water Contract

- **Board Hears Report on Past Decade of Capital Expenditures and Funding Sources**
- **Special Public Meeting Scheduled to Consider Guiding Principles for Cost-of-Services Study**

Placerville, CA . . . After more than six years of negotiations, it appears a 40-year contract between the U.S. Bureau of Reclamation (Reclamation) and El Dorado Irrigation District is about to become a reality. At their August 23 meeting, the EID board of directors heard from the district's general counsel, Tom Cumpston, that the contract—covering 4,560 acre-feet of water—is ready for signature. The board voted unanimously to authorize EID general manager Jim Abercrombie to execute the contract.

“It was a long process, but the result is well worth it,” said EID board president John Fraser. “We appreciate that Reclamation moved forward on this contract, especially considering the pressure they face up and down the state from competing demands on their facilities and water supplies.”

“Rights to the water in question are among the most senior in California,” Cumpston said. “They are tied to our ditch system, and most date back to the 1850s. For decades, EID agricultural customers used this water and therefore perfected the rights. Since the early 1990s, we’ve been converting the ditch customers to our treated water system, but we had to continue to use the ditch water or risk losing those rights. So we take the ditch rights at Folsom Reservoir for use by existing customers in the El Dorado Hills area.”

“This is an excellent example of how EID operates as a single, unified district to the benefit of all customers,” said Abercrombie. “Ditch water rights perfected by our rural customers are available to the El Dorado Hills area, a win-win for all.”

Cumpston added, “Since 2003, we’ve been signing one-year contracts with Reclamation to take this water while environmental studies were completed and other federal and state requirements were met in connection with the long-term contract.

“That work is complete and necessary approvals, other than Reclamation’s signature, have been received. Under the new contract, we will have long-term security for water from Folsom Reservoir that’s even less expensive than Reclamation’s supplies.”

The 4,560 acre-feet are enough to meet annual demand for 7,475 homes in EID’s service area, based on the past five-year, district-wide average residential use.

10 Years of Capital Improvements

EID has fulfilled another of the commitments that the board made to customers earlier this year, according to the district’s finance director, Mark Price. “The board stated in the February 8 resolution that we would compile a report on capital expenditures and funding sources,” Price said. “We have completed the task.

“The data in my presentation today show the past 10 years of expenditures and funding for capital improvements in several categories. They are water, wastewater, recycled water, recreation, general district, and the El Dorado Project water delivery/hydropower generation system.”

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Price explained the funding sources for capital improvements include facility capacity charges (the hook-up fees charged for new development), proceeds from bonds the district sells to finance improvements, and grants and loans such as the low-interest loans from the state's revolving fund that were used to line and cover EID reservoirs as required by the state.

Price's presentation was also delivered to the cost-of-services study committee on August 20. For more about the study, see the following item.

Cost-of-Services Study Committee Recommends Guiding Principles for Board Consideration

Jim Abercrombie reported that on August 20, the cost-of-services study committee members unanimously recommended 10 principles to guide the study. The committee also recommended two additional principles on a majority vote of 7 to 1.

"We are scheduling a special public meeting next week so you can consider the recommendations," Abercrombie told the board. "Your guidance will be an important tool for the independent consultants who are conducting the study. A decision in early September will help us meet the deadline for finishing the study before the end of the year."

The special meeting is set for Wednesday, September 1, beginning at 2:00 pm. It will be held in the board room of the district's headquarters building at 2890 Mosquito Road in Placerville. Public participation is welcome.

Other Business

- The board awarded a professional services agreement for preparation of an environmental impact report related to the Memorandum of Understanding for Water Service to the Shingle Springs Rancheria. The Rancheria will reimburse the district for the cost of the report.
- The board authorized payment for continued general and water efficiency program memberships in the Regional Water Authority. The memberships benefit the district in that they allow EID to participate in regional efforts to obtain state and federal grants for water efficiency projects and infrastructure improvements.
- Engineering staff presented the second quarter update of the district's 2010-2014 capital improvement program (CIP). Engineering director Brian Mueller reported that recommendations for the 2011-2015 CIP will be made prior to the 2011-2012 budget-setting process.

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