

MINUTES
BOARD OF DIRECTORS
PLACER COUNTY WATER AGENCY

Thursday, December 20, 2018
2:00 p.m. Regular Meeting

Board Members Present: Chairman JOSHUA ALPINE, Vice-Chair GRAY ALLEN, ROBERT DUGAN, MIKE LEE and PRIMO SANTINI

Board Members Absent: None

Agency Personnel Present Who Spoke: EINAR MAISCH, General Manager; MAGGIE STERN, General Counsel; CHERI SPRUNCK, Agency Secretary/Clerk to the Board; DAN KELLY, Staff Counsel; JEREMY SHEPARD, Engineering Services Manager; BRENT SMITH, Director of Technical Services; MATT YOUNG, Director of Customer Services

A. CALL TO ORDER

1. Roll Call

Chairman Alpine called the regular meeting of the Placer County Water Agency Board of Directors to order at 2:00 p.m. in the American River Room, Placer County Water Agency Business Center, 144 Ferguson Road, Auburn, California.

2. Pledge of Allegiance

Chair Alpine led the Pledge of Allegiance.

3. Announcements, introductions, and recognitions

There were none.

B. BOARD ORGANIZATIONAL MATTERS:

1. Consider the following organizational items:

- a. Selection of Board Chair and Vice-Chair; adopt Resolution 18-37 Electing a Chair and Vice-Chair;

The General Manager noted the normal policy rotation of the Chair and Vice-Chair has been in District order.

Director Allen noted he is next in rotation for Chairman, but he felt he had too many other things going on to do an adequate job as Chair.

Motion by Director Allen nominating Director Lee as Chair; motion seconded by Director Dugan. Director Santini nominated Director Dugan as Vice-Chair; motion seconded by Director Allen. Roll call vote conducted and **Resolution 18-37 Electing a Chair and Vice-Chair** was unanimously adopted by Directors present.

Chair Lee said it is an honor to be the Chair. He complimented Director Alpine as Chair. He has done a great job and is a great asset to the Agency and Board.

Director Alpine said he appreciates everything the Board and staff does. It was an honor and a privilege to be Chair.

- b. Director seating preferences, affirmed by the Chair;

The seating arrangements were affirmed.

- c. Affirm day, time, and location of regular Board meetings (A change from the current first and third Thursday of each month at 2:00 p.m. at the PCWA Business Center would require a resolution.);

All Board members agreed the regular Board meetings days, time, and location remain the same.

- d. Review current Board member representation to committees and organizations and discuss requests for changes. Appointment by the Chair, concurrence by the Board.

There were no changes to committee representation. (Handout provided of committee representatives minus the American River Authority)

The General Manager pointed out meeting date changes in 2019. They include July 4 moved to July 8 due to the holiday and December 5 moved to December 9 because of a conflict with the Association of California Water Agencies conference. He also noted the Board retreat is scheduled for September 11 and 12.

Director Santini asked that the Middle Fork Project Finance Authority retreat be a different month. The General Manager suggested it be the middle week in October.

C. PUBLIC COMMENT:

Bob Kolak of Dutch Flat said he was representing great-grandson Gavin who has special needs. Mr. Kolak purchased a home in Auburn on Village Lane for Gavin. Gavin is moving to the home in June. The first bill was \$200 and the house was unoccupied so he turned the water down to a minimum. The next bill was \$160. He then turned off the water and the bill was \$100 with still no one in the house. He spoke about Gavin's future income, which will be minimal. He referenced a PG&E program that will give Gavin a break on his electricity bill. He asked the Board to consider adopting a program for people with special needs.

D. REPORTS BY DEPARTMENT HEADS

Director of Technical Services reported effective January 1 the Water Connection Charges (WCC) for Zone 6 will automatically increase by 2.5 percent based on the Engineering News Record Construction Cost index. The index period is June 2017 through June 2018. He provided a handout showing the various rates. The General Manager reminded the Board that these charges are not subject to Proposition 218 requirements.

Director of Customer Services reported year 1 of the 2 year sustainable irrigation pilot grant program in Western Placer is complete. There were 7 of 10 growers that participated, which totaled 6,400 acre feet of delivered water. The grant amount was \$74,000 of the \$120,000 granted by the County. The Agency issued a check to the County for the remaining balance.

E. AGENDA CHANGES AND REVIEW

Item G.1. was removed from the agenda.

Item F.2. pulled for separate discussion.

F. CONSENT CALENDAR:

Action:

1. Consider approving an employee's reimbursement claim pursuant to Chapter 3, Article 1, Section 3003, of the Agency's Personnel and Administrative Manual:
 - a. Aaron Sullivan's business expense incurred in September 2018 in the amount of \$62.76.
2. Consider adopting **Resolution 18-38 clarifying various sections of the Agency's Personnel and Administrative Manual Chapter 4, Rules, Regulations, Rates, Fees and Charges governing the distribution and use of water.**
3. Consider approving November 15, 2018, minutes.

Information, Receive and File:

4. Check Register 18-24 expenses disbursed.
5. Treasurer's Investment Report for month ended November 30, 2018.
6. Board of Directors' expenses for November 2018.

Item F.2. pulled for separate discussion. The General Manager said normally if someone constructed a second dwelling unit, the Agency would charge a WCC for the increased demand. The state has prohibited charging additional water taxes. We need to change the Agency's rules and regulations to conform with state law. We had someone that wanted to use canal water for construction water. Our construction water rates are set up only for treated water. It was too high of a charge, so a new raw water construction water rate that is double the normal construction water rate.

Motion by Director Santini approving Consent Calendar items 1, 2, 3, 4, 5, and 6; motion seconded by Director Alpine and adopted by unanimous roll call vote of Directors present.

G. AGREEMENTS AND CONTRACTS:

Action:

1. ~~Consider approving Amendment No. Four to the On-Call Brushing Services Contract 2015-06 with Mountain F. Enterprises Inc., for Middle Fork American River Project related services, extending the term of the contract through December 31, 2019, and increasing the not to exceed amount by \$50,000.~~
2. Consider approving a General Services Agreement with Holt of California for three years of planned maintenance for all Water Division emergency power generators under the National Joint Powers Alliance Contract #032515-CAT, in an amount not to exceed \$160,000 through 2021.
3. Consider approving Amendment No. Two to the 2017 Professional Services Agreement with Thomas R. Johnson making the following changes:
 - a. Hourly rate increased to \$195;
 - b. Original agreement revised to extend services through December 31, 2019;
 - c. Agency representative revised to be Director of Energy Marketing.
4. Consider approving water service application for Facilities Agreement 2690, Chick-Fil- A, Rocklin, 6.5 Equivalent Dwelling Units.

5. Consider approving Amendment No. One for the 2018 Professional Civil Engineering & Surveying Services Agreement with RFE Engineering, Inc. to provide services for the Middle Fork American River Project through January 18, 2020, and revise the schedule of hourly billing rates in an amount not to exceed \$200,000.
6. Consider approving Amendment No. Two to Task Order Eleven with GridSME for state and federal regulatory compliance assistance, making the following changes:
 - a. Update the fee schedule;
 - b. Extend the time of completion to December 31, 2020;
 - c. Authorize a not-to-exceed amount of \$50,000 for the duration of the amendment;
 - d. Change the Agency's representative to the Director of Energy Marketing.
7. Consider approving Lease Extension Agreement, Amendment No. 5 to the 1988 Communication Lease Agreement with Pacific Gas & Electric Company for an additional one-year term through December 31, 2019.

Information, Receive and File:

8. Progress Pay Estimate and Non-discretionary Contract Change Order Summary for the period November 12, 2018, through December 2, 2018.

Motion by Director Dugan approving Agreements and Contracts items 2, 3, 4, 5, 6, and 8; motion seconded by Director Alpine and adopted by unanimous vote of Directors present.

Chair Alpine recused himself from participating in discussion of item G.7. and stepped out of the room at 2:24 p.m.

Motion by Director Santini approving Agreement and Contract item 7; motion seconded by Director Dugan and adopted by unanimous vote of Directors present.

Chair Alpine returned at 2:25 p.m.

H. WATER:

1. Consider approving a Design Professional Services Agreement with Domenichelli & Associates for the Alta Loop Pipeline Project, which will replace a section of an existing treated water main and install a new section of treated water main to

create a loop in the system establishing necessary redundancy, in an amount not to exceed \$306,500.

The Engineering Services Manager showed a map and gave a brief overview of the Alta System. The treatment has a half million gallon per day capacity and 8 miles of water mains. Two miles of steel mains are over 80 years old and have had several leaks over the years. A lot of the system was replaced in the 1990s. There was 40 percent loss this year. The system serves a population of about 900 with 270 connections. The system has no loops for redundancy. Staff is focusing on repairing areas with the most leaks. Repairs will provide additional improved fire flows and water quality. Estimated construction costs are \$1.8 to \$2 million.

Motion by Director Alpine approving item H.1.; motion seconded by Director Allen and adopted by unanimous vote of Directors present.

I. ADMINISTRATION

1. Consider adopting Resolution 18-39 amending policies regarding out-of-state travel.

The General Manager reported the Agency has a lot of out-of-state travel for training, education, advocacy, and factory testing. Board approval is currently required and requests are brought frequently to the Board. There may be an implication of concern that is not really there on the Board's part. At a previous meeting the Board directed staff to bring the item back for approval with a highbred option of the General Manager approving requests and staff reporting to the Board when they returned from traveling. (Handout provided that gives background information)

Legal Counsel recommended the wording in paragraph (d)(ii) of Exhibit A of the proposed Resolution be made consistent with paragraph (d)(i) to include "Travel outside California and more than fifty (50) miles from the California border must be approved in advance by the General Manager."

The General Manager said a provision within the policy adopted for Board compensation provides that Board members also have to have Board approval for travel for more than 50 miles outside of California. To be consistent, the provision could be changed to be "Reimbursement for actual and necessary expenses related to out-of-state travel shall be paid only upon confirmation by the General Manager, prior to such out-of-state travel, that sufficient funds have been budgeted and are available for such travel." It then becomes a notification requirement.

Motion by Director Dugan adopting **Resolution 18-39 amending policies regarding out-of-state travel** with revisions recommended by Legal Counsel; motion seconded by Director Allen and adopted by unanimous roll call vote of Directors present.

Director Alpine asked who approves the General Manager's out-of-state travel. It was discussed that an item be brought back for Board approval that the General Manager notify the Chair of when the General Manager travels out-of-state.

H. REPORTS BY DIRECTORS:

Director Santini wished everyone Merry Christmas, happy holidays, and happy New Year. He said it is a pleasure to serve on this Board and with the staff. Altogether we represent our constituents very well. It shows in the respect we get in the region, statewide and at the federal level. He thanked Director Alpine for the energy he puts into his position. He represents us well outside of this area with his Association of California Water Agencies work and other lobbying.

Director Dugan agreed with all Director Santini said and also gave kudos to the Agency's policy staff. There has been a lot of work lately and staff has been diligent and vigilant in ensuring the Agency's interests are protected statewide.

Director Allen reported the Sites Reservoir project had \$800 plus million Proposition 1 funding and \$40 million up front to get the project going. They received \$449 million from the U.S. Department of Agriculture as a loan at 3.7 percent. The U.S. Bureau of Reclamation is interested in doubling their participation from 12 to 25 percent because Sites is committing a lot for the environment. Sites has strong congressional support, but not in the state agencies. They may be breaking ground soon on the Glenn Colusa canal and Tehama Colusa canal intertie. When the Sites project is completed, the intertie will be used. In the meantime, the intertie will help with distribution of irrigation water in the region.

Director Alpine wished everyone a Merry Christmas and happy holidays and thanked the Board and staff for everything they do. It's great to see the Agency tackle challenges in creative and enthusiastic fashion. Our constituents will yield from the fruits of our labor. He recognized the unique things each department is doing.

Chair Lee recognized how fortunate we are to have such great teamwork. The Board is conscientious. He wished everyone a Merry Christmas.

I. REPORTS BY LEGAL COUNSEL:

No reports received.

J. REPORTS BY GENERAL MANAGER:

The General Manager noted the new customer newsletter is out.

Nevada Irrigation District has started their public workshops on what they call Plan for Water. PCWA staff was at the north Auburn meeting and will be monitoring the efforts. It seems it will be a thorough and well-worked effort.

On December 12 the State Water Resources Control Board took action to impose the Delta Water Quality Standards Streamflow Requirements on the tributaries of the San Joaquin River. News articles noted Merced will lose 50 percent of its supply and the City and County of San Francisco will lose 40 percent of supply in dry years.

He noted department year-end reports will start next meeting.

K. CLOSED SESSION

With all members present, as heretofore designated, the meeting adjourned to closed session at 2:51 p.m. to consider the following:

1. **Conference with legal counsel - Anticipated Litigation** - Pursuant to subdivision (b) of Section 54956.9 of the Government Code.

Potential Case: one

Director Dugan left the meeting at 3:58 p.m.

L. REPORT FROM CLOSED SESSION

The Board returned from closed session at 4:01 p.m. Nothing to report.

M. ADJOURNMENT:

At 4:01 p.m. Director Santini made a motion to adjourn; motion seconded by Director Allen and adopted by unanimous vote of Directors present.

ATTEST:

Cheri Sprunck, Clerk to the Board
Placer County Water Agency