

NEVADA IRRIGATION DISTRICT

BOARD OF DIRECTORS / JOINT POWERS AUTHORITY

MINUTES

April 10, 2013

The Board of Directors of the Nevada Irrigation District and the Nevada Irrigation District Joint Powers Authority convened in regular session at the District's main office located at 1036 W. Main Street, Grass Valley, on the 10th day of April 2013 at 9:00 a.m.

Present were Jim Bachman, President; John H. Drew, Vice-President; Nancy Weber, W. Scott Miller and Nick Wilcox, Directors.

Staff members present included Remleh Scherzinger, General Manager; Tim Crough, Assistant General Manager; Jim Malberg, Finance Manager; Gary King, Engineering Manager; Chip Close, Interim Operations Manager; Peggy Davidson, Recreation Manager; Bill Morrow, Hydroelectric Manager; Jeff Meith, District Counsel; and Lisa Francis Tassone, Board Secretary.

MINUTES – March 27, 2013 Regular Meeting

**Approved the Minutes of the Board of Directors' regular meeting of March 27, 2013, as submitted. M/S/C Drew/Weber**

WARRANTS

**Approved the following warrants: Yuba-Bear Revolving Fund Nos. 25389 through 25427, inclusive; General Fund Revolving Account Nos. 60886 through 61001, No. 57999 being void; Recreation Fund Nos. 3751 through 3763, inclusive; and Payroll Direct Deposit and Warrant Nos. 67030 through 67195, Nos. 67027 through 67029 being void. M/S/C Drew/Weber**

EMPLOYEE RELATIONS – Schlining Retirement (Res. No. 2013-07)

**Adopted Resolution 2013-07 (Resolution of Appreciation upon Retirement – Theresa A. Schlining) after 6 years of service to the District. M/S/C Drew/Weber**

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AGREEMENTS: NEVADA IRRIGATION DISTRICT AND CITY OF GRASS VALLEY –  
Water Supply

**Approved Successor Contract between the District and the City of Grass Valley for Water Supply, and authorized the execution and filing of the Notice of Exemption; authorized the General Manager to execute the necessary documents. M/S/C Drew/Weber**

SURPLUS WATER - 2013

**Declared surplus water available to District customers except South Sutter Water District. M/S/C Drew/Weber**

AGREEMENTS: COMBIE RESERVOIR - Bartholomew

**Approved Agreement with Hal Bartholomew and Beverly Brautigam to resolve encroachment issue on District Lands, and authorized the General Manager to execute the necessary documents. M/S/C Drew/Weber**

STATEMENT OF INVESTMENT POLICY (Res. No. 2013-09)

Jim Malberg, Finance Manager/Treasurer, stated that the Investment Policy must be adopted via a resolution, and a resolution was not provided in the agenda packet. A copy of Resolution No. 2013-09 has been provided to the Board for consideration.

Director Weber asked if there were changes made to the Investment Policy.

Mr. Malberg responded affirmatively.

Director Weber requested that when there are changes, that the changes be provided to the Board.

Mr. Malberg stated that he will provide her with the changes that were made to the Policy.

**Adopted Resolution No. 2013-09 (Approving Board of Directors Nevada Irrigation District Investment Policy and Guidelines). M/S/C Drew/Weber**

CUNNINGHAM SIPHON REALIGNMENT PROJECT – Preliminary Review & Initial Study (Res. No. 2013-08)

Gary King, Engineering Manager, presented the Preliminary Review and Initial Study for the Cunningham Siphon Realignment Project. The proposed Project is located south of Grass Valley within the community of Alta Sierra in Nevada County, along Dog Bar Road. It is anticipated that construction would begin in the Fall of 2013. He provided the following presentation:

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*Project Background:*

Replacement and realignment of a 24-inch Techite pipeline with a new pipeline in a revised location.

*Project Communication Timeline:*

- Initial Study/Proposed Negative Declaration went out for public review
  - Advertised in The Union
  - Posted on the District's website
- Held a public meeting on March 21, 2013 at the District's Main Office
  - Sent letters to property owners in close proximity to the Project site

*Mitigation Measures:*

- Air Quality
  - AIR-01: Potential Conflict with Air Quality Control Plan
    - Implement dust and emission control plan
    - Water trucks for dust control
    - Cover trucks hauling soil or maintain minimum two feet freeboard
    - Sweep all paved access roads regularly
    - Minimize idling of vehicles (five minutes)
    - Emissions and Dust Control Program by Contractor
- Biological Resources
  - BIO-01: Potential Disturbance to Protected Species and their Habitat
    - Prior to construction, a survey will be conducted by qualified wildlife biologist and a brief survey report will be completed and kept on file with the District
  - BIO-02A: Potential Disturbance of Protected Reptile Species and their Habitat
    - Ensure that a qualified biologist conducts a pre-construction survey for protected Coast Horned Lizard and its habitat
  - BIO-02B: Potential Disturbance of Protected Amphibian
    - Ensure that a qualified biologist conducts a pre-construction survey for protected California red-legged frog and Foothill yellow-legged frog and provides training for contractors on frog identification
  - BIO-03: Potential Disturbance of Nesting Special-Status and Non Special-Status Migratory Birds and Raptors
    - If construction activities are scheduled to occur during the breeding season for these species (generally between March 1 and August 15), a qualified biologist will be retained to conduct focused nesting survey with the appropriate habitat
    - or
    - If construction activities begin before the breeding season (i.e. between August 15 and February 28), then construction can proceed until it is determined that an active migratory bird nest would be subject to abandonment as a result of construction activities
- Cultural Resources
  - CULT-01: Potential Inadvertent Discovery of Cultural Resources

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- If cultural resources are encountered during Project construction, construction shall be halted immediately in the subject area and a qualified professional archaeologist shall be consulted
- CULT-02: Potential Inadvertent Discovery of Human Remains
  - If human graves are encountered, work should halt in the vicinity and the County Coroner shall be notified immediately pursuant to PRC Section 7050.5; at the same time, an archaeologist shall be contacted to evaluate the situation; if human remains are of Native American origin, the Coroner must notify the Native American Heritage Commission within 24 hours of this identification
- Geology
  - GEO-01: Potential Substantial Soil Erosion or the Loss of Topsoil
    - The contractor shall prepare and implement an erosion control plan and Stormwater Pollution Prevention Plan (SWPPP) to ensure erosion and sedimentation from the Project is kept to a minimum
- Hazards and Hazardous Materials
  - HAZ-01: Potential Wildfires
    - Prepare and implement Fire Suppression Control Plan
- Hydrology/Water Quality
  - HYD-01: Potential Impacts from Construction Material Release
    - Avoid/minimize potential impacts from construction material release; develop and implement erosion control Best Management Practices (BMPs) and a Spill Prevention and Contingency Plan for all activities in the vicinity of drainages (including stormwater drainages in roadways); for grading activities impacting larger than one acre, a SWPPP will also be developed
- Noise
  - NOISE-01: Potential Noise Disturbance
    - Implement noise reduction measures; construction will be limited to daytime hours between 7:00 a.m. and 7:00 p.m.; construction will be prohibited on Sundays and Federal holidays, unless the County grants a special approval
      - Stockpiling and/or vehicle staging areas will be identified and located as far as practical from existing residential dwellings in the area
      - All project components shall either be rated for less than 70 dBA or placed in noise attenuating structures
    - Appropriate additional noise-reducing measures will be implemented when necessary

President Bachman opened the public hearing.

Hearing no testimony, President Bachman closed the public hearing.

Director Drew asked if the 8-inch pipe is sufficient to service the customers.

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Mr. King stated that the 8-inch ductile iron pipe has been sized to service the customers along this line.

Mr. King stated that the District received correspondence from the State Regional Water Quality Control Board regarding the requirements of the SWPPP. He noted that this is a standard letter that the District receives on all projects.

Mr. King stated that the District also received correspondence from David Johnson. Staff met with Mr. Johnson last Friday, and that meeting resulted in rerouting the pipeline around his property. Mr. Johnson has reviewed the District's modifications and has agreed with the new pipeline route.

The Board Secretary stated that the District did not receive any additional correspondence.

Director Weber asked how close the nearest well is to the proposed Project.

Mr. King stated that wells were not mapped. However, most of the residents are currently connected to the District's treated water system.

Director Weber asked about the pipe underneath one resident's garage.

Mr. King stated that the techite pipeline will be filled with grout and will be abandoned.

Director Weber asked what arrangements have been made for tree replacement.

Mr. King stated that residents will be paid accordingly for the trees that need to be removed.

Director Wilcox raised a point related to the California Environmental Quality Act (CEQA). He noted that in the Initial Study, there was a reconnaissance survey on sensitive plants that was conducted on November 13, 2012. Based upon that survey, it was concluded that it was unlikely that sensitive plants would be present at the Project site. However, a mitigation measure in the Initial Study related to sensitive plants requires that a plant survey be done at a later date. The promise of surveys done at a later date is not mitigation. He understands that the Project would not move forward until the survey is done, but in Resolution No. 2013-08, it states "Now therefore, be it resolved . . . the Board finds that there is no substantial evidence of record that the Project will have a significant effect on the environment . . ." This cannot be true without having done a survey.

Mr. King stated that he would disagree. As it is stated in the Initial Study, preliminary surveys were conducted. The problem is that there is a timing issue. Some of the species can show up over a period of time. An example would be if this proposed Project is placed on a shelf for three to four years, the surveys would be invalid.

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Director Wilcox stated that he will vote in favor of the Negative Declaration; however, he would like this noted that a potential problem exists if the Board is approving a Project with no environmental impact before studies have been completed. This is asking the Board to be somewhat dishonest. He asked that Staff and Stantec commit to providing the Board a report before construction on the actual findings of the survey. He suggested that a formal presentation be provided to the Board so that it is clear that the District has fulfilled the intent of CEQA.

Jeff Meith, District Counsel, stated that a formal survey was conducted.

Director Wilcox disagreed. A formal survey was not conducted; however, an informal reconnaissance survey was conducted out of season.

Mr. Meith stated that there are performance objectives regarding what is necessary if a sensitive plant is discovered during construction.

Director Wilcox stated that when he was doing CEQA work for a living, Negative Declarations were not issued without having done protocol level surveys up front.

Bernadette Bezy, Biologist with Stantec, stated that a habitat assessment was conducted to determine if there was the potential for species that could bloom in the Spring. When surveys cannot be done, performance standards are set, so that the District would not be charged with deferred mitigation. If performance standards are outlined, the District will be in compliance with CEQA.

Director Wilcox stated that he is not uncomfortable with the reconnaissance study and the conclusions. However, he is requesting that a formal report be provided to the Board before construction commences.

Mr. King confirmed that a formal report will be presented to the Board on the sensitive plant survey when Staff presents construction contracts to the Board for approval.

President Bachman asked about the budget for the Project.

Mr. King explained that a portion of the Project is in the 2013 budget and the remaining portion is included in the 2014 budget.

Director Weber expressed appreciation to Director Wilcox for bringing up the matter about plant surveys. With regard to the Lower Cascade Canal / Banner Cascade Pipeline Project, she researched deferred mitigation, and she was uncomfortable because after the approval of a Negative Declaration, the Board never knows if the BMPs are being followed.

Mr. King stated that in the future, a report will be provided to the Board regarding survey conclusions when Staff seeks approval by the Board for construction contracts.

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Director Wilcox stated that this would satisfy him, because this allows the Board to fulfill its duties under CEQA.

**Director Drew made a motion to adopt Resolution No. 2013-08 (Adopting a Mitigated Negative Declaration, and Approving the Project – Cunningham Siphon Realignment Project). Director Weber seconded the motion.**

**Motion passed on the following roll call vote:**

|                     |                |
|---------------------|----------------|
| <b>Division I</b>   | <b>Aye</b>     |
| <b>Division II</b>  | <b>Aye</b>     |
| <b>Division III</b> | <b>Abstain</b> |
| <b>Division IV</b>  | <b>Aye</b>     |
| <b>Division V</b>   | <b>Aye</b>     |

#### BOWMAN-SPAULDING REPAIR PROJECT – Award of Contracts

Keane Sommers, Associate Engineer, presented two separate but related projects: the Bowman-Spauldung Emergency Inlet Project and the Bowman Low Level Outlet Project. He provided the following information and described the photographs in his presentation:

##### *Background:*

- The 87 year old Bowman Dam Low Level Outlet was damaged by a surge event on the morning of January 26, 2013
- Initial repairs to the damage were unsuccessful
- Long term repairs will take several months to complete
- In order to make irrigation deliveries, it was necessary to reopen a historic inlet to the Bowman-Spauldung Canal

##### *Planned Operation:*

- Bowman Reservoir will be raised to a controlled spill
- Flow will be controlled through radial spill gates
- Emergency inlet capacity is hoped to be at least 200 cubic feet per second (normal canal capacity is 300 cubic feet per second)

##### *Work Required:*

- Excavate 6 to 10 foot thick concrete slab to create inlet chute
- Fabricate training wall
- Fabricate trash rack/closure structure
- Contractor has been working seven 10 to 12 hour days per week to complete work

##### *Bowman Low Level Outlet Repair Project:*

- Design/permitting of outlet repair is underway
- Contractors identified to provide quote to complete construction
- Federal Energy Regulatory Commission (FERC) and Division of Safety of Dams (DSOD) prepared for rapid turnaround on permit applications

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Director Drew also provided video of the Bowman-Spaulding facility and the work being done at this location.

President Bachman asked what the plan is for the actual “fix.”

Mr. Sommers clarified first that the valve building in Director Drew’s video is not historical, and the recognition as a non-historical structure is critical to the District’s permitting. The building has gone through the FERC process and it was determined that the building lacked the integrity to be considered a historical resource.

With regard to the actual repair, Mr. Sommers stated that the long-term plan is to remove the bifurcation, the building and then insert a pipe into the existing tunnel, and seal around the backside of the pipe. Then a thrust block will be poured outside of the tunnel. In the short-term, a blind flange will be put into place so that water can be moved through the powerhouse. Late this year or early next year, a new outlet valve will be installed.

Mr. Sommers pointed out that he will be returning to the Board in the future seeking approval for environmental documents and contracts associated with these repair projects.

Director Wilcox asked if the cost of the contract with HDR will be reimbursed by Pacific Gas & Electric Company (PG&E).

Rem Scherzinger, General Manager, stated that Staff is currently negotiating with PG&E regarding what is and is not reimbursable. With regard to the Syblon Reid contract, the District has a verbal commitment from PG&E for the amount of \$600,000.

**Awarded contract to Syblon Reid in the amount of \$310,000 for the Bowman-Spaulding Canal Emergency Inlet Project; awarded contract to HDR in the amount of \$135,000 for the design of the Bowman Low Level Outlet; authorized the General Manager to execute the necessary documents. M/S/C Wilcox/Miller**

#### LONG RAVINE CAMPGROUND – Proposal for Boat Rental Operation

Peggy Davidson, Recreation Manager, presented a recommendation from the Maintenance and Resource Management Committee to approve an agreement with Reef Investments to operate a boat rental concession at the Long Ravine Campground. Ron Parker has been in the boat and jet ski business for the past 15 years for the State of California Parks and Recreation Department. He will be housed in a small office near the boat ramp at Long Ravine Campground, and his business will be open seven days a week between the hours of 10:00 a.m. and 6:00 p.m. The District will receive 10 percent of Mr. Park’s gross receipts. The contract would expire in one season. After one season, there would be an option to consider extending the contract for five additional seasons.

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Jeff Meith, District Counsel, noted that the proposed agreement has an expiration date of September 2014.

Ms. Davidson stated that the contract should state an expiration date of September 2013.

Mr. Meith stated that the contract will need to be amended to reflect this correction.

Ms. Davidson reviewed the details of the boat rental process.

Director Wilcox stated that he noticed that the jet skis will be four-stroke engines. He asked if the rest of the boats will also have four-stroke engines. The reason he asks is that the four-stroke engines provide a huge benefit in terms of water quality.

Ms. Davidson stated that she believes this to be the case, but she will check to make sure.

Director Wilcox stated that it would not be a bad idea to specify that four-stroke engines be part of the fleet for water quality purposes.

Director Miller referenced Item 16 of the Agreement regarding insurance. At the Maintenance and Resource Management Committee, there was discussion about increasing the amount of insurance coverage.

Ms. Davidson stated that when the proposed Agreement was presented to the Maintenance and Resource Management Committee, the amount of coverage was \$1 million. In the Agreement for the Board's consideration, she modified the coverage (\$2 million aggregate and \$1 million per occurrence).

Director Miller stated that he feels this is still not enough coverage.

Ms. Davidson stated that she verified that the State Parks Department has the same amount of coverage the District is proposing.

Tim Crough, Assistant General Manager, stated that he could contact the Special Districts Risk Management Authority (SDRMA) and have a representative weigh in on this matter.

After some discussion, the Board would like to increase the aggregate amount of insurance coverage from \$2 million to \$3 million upon concurrence from SDRMA.

Mr. Meith recommended that the Board approve the Agreement with insurance coverage as presented, unless SDRMA requires additional coverage. An increase in coverage would then be considered by the Board at the end of the season.

**Director Weber made a motion to approve Agreement with Reef Investments, as amended for the recreation season to end in September 2013, contingent upon**

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**review of insurance coverage by Special Districts Risk Management Authority, to operate a boat rental concession at Long Ravine Campground, and authorized the General Manager to execute the necessary documents. Director Drew seconded the motion.**

**Motion passed on the following roll call vote:**

|                     |            |
|---------------------|------------|
| <b>Division I</b>   | <b>Aye</b> |
| <b>Division II</b>  | <b>Aye</b> |
| <b>Division III</b> | <b>No</b>  |
| <b>Division IV</b>  | <b>Aye</b> |
| <b>Division V</b>   | <b>Aye</b> |

AGREEMENTS: SEDIMENT REMOVAL IN RESERVOIRS – Pegasus Earth Sensing Corporation (Equipment)

Tim Crough, Assistant General Manager, presented a recommendation from the District's Reservoir Sediment ad hoc committee to approve a lease to own Agreement with Pegasus Earth Sensing Corporation for equipment to remove sediment and mercury at District facilities. This equipment was demonstrated in 2009 to legislators. This demonstration was also part of the scientific lab work that was done to obtain permits for the Combie Reservoir Mercury Removal Project.

Mr. Crough explained that the Agreement is hinged on submitting collateral to the equipment owner (worth approximately \$250,000). From that collateral, \$12,650 will be debited until the collateral is exhausted. This will provide the District with an opportunity to demonstrate the equipment and put the equipment into production. After the end of the collateral period, the District can return the equipment. If the District decides to keep the equipment, the District can purchase by financing or paying a lump sum payment.

Mr. Crough stated that on the advice of District Counsel and the concurrence of Pegasus Earth Sensing Corporation, Item 3 (states that the Agreement will be governed by the laws of the Province of Alberta) will be deleted from the Additional Terms and Conditions section of the Agreement.

Director Wilcox pointed out that the value of the collateral changes on a daily basis. He asked if an assay will be done to establish the value of the collateral.

Mr. Crough responded affirmatively.

Mr. Crough stated that he will be presenting a budget amendment to the Board next month for the amount of the collateral. Until that time, reserves will be used for this transaction.

Director Weber expressed concern about the transport of the collateral and how the collateral will be stored.

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Mr. Crough stated that the collateral will likely be liquidated.

Director Wilcox stated that he assumes that District Staff will be used to operate the equipment. He asked if this will require hiring additional staff.

Mr. Crough stated that the initial operation will involve Maintenance Department employees. There will be a series of two to three demonstrations during the first year. Once the Project is funded and the District enters production mode, a decision before the Board will be whether or not to utilize existing employees, add to staff or to contract for services.

Director Wilcox commended Directors Drew and Miller for their involvement and the leadership they have shown.

Director Miller complimented Mr. Crough. He has done an excellent job throughout the entire process.

Director Drew agreed.

Mr. Crough reminded the Board that purchasing the equipment is a small step toward removing all of the sedimentation out of District facilities.

Jeff Meith, District Counsel, pointed out that an option to prepay should be included in the Agreement.

Mr. Crough concurred, and will amend the agreement accordingly.

**Approved lease to own Agreement with Pegasus Earth Sensing Corporation, as amended to add a prepayment option, for equipment to remove sediment and mercury at District facilities, and authorized the General Manager to execute the necessary documents. M/S/C Miller/Weber**

#### HISTORICAL WATER STORAGE PROJECTS - Review

Rem Scherzinger, General Manager, presented two projects that the District has evaluated at various points in the past. There have been a number of presentations on climate change. The common theme is that the District needs to begin to prepare for the impacts of climate change. Director Drew has brought forward the matter of Parker Dam and Director Miller has brought forward the matter of expanding Rollins Reservoir.

Mr. Scherzinger stated that with regard to expansion of Rollins Reservoir, this project was proposed in 1986 and was taken through an extensive engineering review by CH2M Hill. As part of that process, they looked at the outfall structure for Rollins and the establishment of a labyrinth weir. Mr. Scherzinger distributed a photograph of this type of weir that is a chevron style weir which would allow the District to increase the elevation of Rollins Reservoir. The proposal presented three options: two of which were the use of a labyrinth weir, and one that is the use of a rolling weir. The rolling weir option was taken off the table immediately. Option 2 provided the maximum

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benefit which raised the dam crest elevation by 2.2 feet, and raised the spillway elevation by 6.5 feet. This would yield 5,500 acre feet with a firm yield of about 4,140 acre feet. Option 1 was to change the weir structure, and that would provide a firm yield of 3,280 acre feet. The engineering pre-design has been completed, so if the District wants to move forward with this Project, it would require an environmental document pursuant to the California Environmental Quality Act (CEQA), and cutting into the structure to begin executing the Project. The value of Option 1 in 1986 was just less than \$1.3 million and could be completed in two years. This Project could be presented as a bridging opportunity.

With regard to the Parker Dam facility, Mr. Fred Tibbitts identified this Project as the preferred Project of the District. The location of the dam is between Combie and Rollins Reservoirs. The dam structure would be downstream from Dog Bar Bridge. The Bridge would need to be relocated or elevated as part of the Project. There are a number of storage options that range from 16,850 acre feet to 235,950 acre feet depending on the height of the structure. This is a very old study and would require a preliminary engineering study in order to complete the environmental work. This Project would also require a National Environmental Policy Act (NEPA) document instead of a CEQA document because the District would be seeking Federal money for the Project. In previous Board minutes, there was discussion about the Project taking up to 15 years to complete.

President Bachman stated that it is his understanding that at Camp Far West, the spillway has to be lowered in case of flood activity. They will also install radial gates and pick up 5,000 to 6,000 acre feet of storage.

Director Drew distributed the report by Mr. Tibbitts, and stated that everything about this Project is positive with the exception of the displacement of residents and private property concerns. All of the other concerns can be resolved through mitigation, etc. He is going to continue his work on discussion points, and would like to review these discussion points in a month or so. He has a strong recommendation that the District begin work on the Rollins Reservoir Expansion Project. It is incumbent upon the Board to evaluate projects that will develop more storage.

Director Wilcox stated that he and Director Drew met with Board members of the South Sutter Water District (SSWD) last year to discuss the concept of the Parker Dam. The basis of the discussion was that the Parker Dam Project might be a Project that SSWD might be willing to participate in. There are examples of projects such as this around the State: i.e. Turlock and Modesto Irrigation Districts jointly built Don Pedro Reservoir, etc. There has been discussion before this Board about the Garden Bar site. Garden Bar is less active now, but he is not so sure that the idea of Garden Bar has been put to rest. A Project like Parker Dam would fully meet SSWD's water needs over the long term, and it would permanently put to rest the Garden Bar project. Furthermore, the way that SSWD would receive delivery of their water would be through the natural channel down the Bear River. The Parker Dam Project has advantages and disadvantages. He believes that the Project would be worthy of consideration.

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Director Miller stated that it would be appropriate to discuss this matter during a strategic planning or goal setting session in order to also receive input from Staff.

Mr. Scherzinger stated that he will schedule this matter for the goal setting session in May 2013.

AGREEMENTS: Greenhorn Campground Lease - Extension

Rem Scherzinger, General Manager, reported that the concessionaire has renewed the lease for the Greenhorn Campground. Staff will begin discussion on the new lease agreement for the remaining 17 year term.

PROJECT STATUS – North Auburn Highway 49 Transmission Project and the DS Canal Flume Replacement Project

Rem Scherzinger, General Manager, reported that construction will begin on the North Auburn Highway 49 Transmission Project, and work has started on Flume 18 in the DS Canal Flume Replacement Project.

WATER STORAGE - Update

Rem Scherzinger, General Manager, reported that water is currently spilling at Milton, Faucherie, Jackson Meadows and the Scotts Flat facilities. The gates have been closed at Jackson Meadows to ensure the integrity of Rollins Reservoir through the irrigation season.

YUBA COUNTY WATER AGENCY VS. NATIONAL MARINE FISHERIES, ET AL - Update

Rem Scherzinger, General Manager, reported that Brophy Water District, Hallwood Irrigation Company, and Pacific Gas & Electric Company have submitted their paperwork for intervention regarding the subject lawsuit. There will be an upcoming status conference that District Counsel will be involved in.

SETTLEMENT AGREEMENT UPDATE - Robbins

Rem Scherzinger, General Manager, reported that he met with Trevor Robbins at Hiscox Ravine to review Section 12 of the Settlement Agreement. Also in attendance was Director Weber and Gary King, Engineering Manager. An agreement was reached and Mr. Robbins will have a new set of boards with a 2-inch by 2-inch hole, and will be receiving four miner inches.

Director Wilcox asked if this is water Mr. Robbins is paying for.

Mr. Scherzinger stated that this is bypass of natural flow and ensures that Mr. Robbins receives natural flow in his lower ravine.

Director Wilcox asked if the District has an obligation to put water in that ravine.

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Mr. Scherzinger stated the District has no obligation to put water in Mr. Robbins' lower ravine.

MOUNTAIN COUNTIES WATER RESOURCES ASSOCIATION (MCWRA) –  
Legislative Committee

Rem Scherzinger, General Manager, reported that he attended the MCWRA Legislative Committee meeting via conference call. The Committee is now focusing work on 10 to 12 items. The Committee is reviewing the legislative lists of the Association of California Water Agencies (AWCA), the Regional Water Authority (RWA), the California Utility Executive Management Association (CUEMA), and the California Special Districts Association (CSDA).

COSUMNES, AMERICAN, BEAR AND YUBA (CABY) WATERSHED GROUP - Update

Rem Scherzinger, General Manager, reported that the CABY's Coordinating Committee met, and the outcome was that the 501(c) Board of Directors will be reestablished. This action will help keep CABY going.

SIERRA NEVADA CONSERVANCY – Grant Opportunities

Rem Scherzinger, General Manager, reported that the Sierra Nevada Conservancy has issued its 2013/2014 guideline for grants. Those grants are for water quality and a number of other watershed issues. The largest grant is a Category 1 grant in the amount of \$350,000. The Category 2 grant is in the amount up to \$75,000.

COSUMNES, AMERICAN, BEAR AND YUBA (CABY) WATERSHED GROUP –  
Attendance at Meetings

Director Weber reported that she plans on attending the CABY meetings as an observer. She was not asked to attend the meetings, however, she feels concerned about the future of CABY.

SPECIAL DISTRICTS RISK MANAGEMENT AUTHORITY (SDRMA) – Safety Claims  
Education Day

Director Wilcox reported that on March 28, 2013, he attended the SDRMA's Safety Claims Education Day event. Also in attendance was Tim Crough, General Manager, and Don Bird, Safety Analyst. One session covered disability claims and another session covered updates to the workers compensation law.

Because three District representatives attended this event, the District received a \$30,000 credit toward its insurance rate. He believes that the District should continue to participate in this event each year in the future. He suggested that this event be added to the Board's standing committee list, and that participation be rotated among the Board members.

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IRRIGATION WORKSHOP – Water Conservation

President Bachman reported that he hosted an irrigation workshop covering water conservation on April 6, 2013. He has hosted this event for the past five years. Keith Crabtree and Paul Weir provided the presentation and approximately 30 people were in attendance. He stated that the event was a success, and he provided photographs.

Director Wilcox offered his property as a site for the irrigation workshop to be held in the future.

Chip Close, Interim Operations Manager, stated that he and Mr. Crabtree had a discussion about adding more classes. Mr. Crabtree is also willing to provide training to District Staff.

CLOSED SESSION was declared at 11:06 a.m. pursuant to Government Code Section 54956.8 to confer with Real Property Negotiators Scherzinger, Malberg, Morrow, Sindt and/or Meith regarding price and terms of payment for acquisition and sale of rights in real property; properties subject to negotiations:

- South Yuba Canal, Chalk Bluff Canal, Deer Creek Powerhouse; flowage/wheeling rights in Drum Canal, Bear River Canal, Wise Canal, and South Canal (all owned by PG&E)
- Flowage Rights in Bowman-Spaulding Canal, Fall Creek Flume, Dutch Flat Flume, and Chicago Park Flume; right to storage in Rollins Reservoir (all owned by NID)

Persons with whom negotiations will be conducted: PG&E Management.

CLOSED SESSION was declared at 11:06 a.m. pursuant to Government Code Section 54956.9(c) to confer with Legal Counsel – Potential Litigation: 1) Yuba County Water Agency vs. National Marine Fisheries Service, et al; and 2) South Yuba River Citizens League and Friends of the River vs. National Marine Fisheries Service, et al.

CLOSED SESSION was declared at 11:06 a.m. pursuant to Government Code Section 54956.9(a) to confer with Legal Counsel – Existing Litigation – Bingaman v. Nevada Irrigation District; Nevada County Case No. 78684.

MEETING RECONVENED in regular session at 12:08 p.m.

MEETING ADJOURNED at 12:08 p.m. to reconvene in regular session on April 24, 2013, at 9:00 a.m. at the District's main office located at 1036 W. Main Street, Grass Valley, California.

  
Board Secretary

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Attest a true record of actions  
had and taken at the above and  
foregoing meeting our presence  
thereat and our consent thereto.

Director  
Division I

*Walter S. Widdow*

Division II

*Joseph P. [unclear]*  
*W. S. [unclear]*

Division III

Division IV

*John Barber*

Division V

*Nick Wilcox*