

NEVADA IRRIGATION DISTRICT

BOARD OF DIRECTORS / JOINT POWERS AUTHORITY

MINUTES

July 9, 2014

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 9th day of July 2014 at 9:00 a.m.

Present were John H. Drew, President (Division II); W. Scott Miller, Vice-President (Division III); Nancy Weber (Division I), Jim Bachman (Division IV) and Nick Wilcox (Division V), Directors.

Staff members present included Remleh Scherzinger, General Manager; Tim Crough, Assistant General Manager; Jim Malberg, Finance Manager/Treasurer; Chip Close, Operations Manager; Gary King, Engineering Manager; Karen Gillespie, Interim Human Resources Manager; Brian Powell, Maintenance Manager; Keane Sommers, Hydroelectric Manager; Jeff Meith, District Counsel; and Lisa Francis Tassone, Board Secretary.

EMPLOYEE RELATIONS – New Employee Introduction, Chen

Keane Sommers, Hydroelectric Manager, introduced Dar Chen, Dam Safety Engineer. Mr. Chen has about 30 years of dam safety experience and expertise, most recently with the East Bay Municipal Utilities District (EBMUD). He has a Bachelor's of Science degree in Civil Engineering from the National Taiwan University, a Master's of Science degree in Geotechnical Engineering from the Ohio State University and a Master's of Business Administration from the California State University Hayward. He is not only a registered professional Civil Engineer, but a registered Geotechnical Engineer as well. He brings a tremendous amount of knowledge and depth to the District. Mr. Chen is married and has two grown sons. In his spare time, he enjoys hiking, walking, cooking and gardening.

Mr. Chen thanked the Board for the opportunity to work for the District.

The Board and Staff welcomed Mr. Chen to the District.

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EMPLOYEE RELATIONS – New Employee Introduction, Morris

Brian Powell, Maintenance Manager, introduced Brian Morris, Assistant Superintendent – Vegetation Control. Mr. Morris was raised in Corona, CA and moved to Napa with his wife in 1980. He was employed with the Silverado Country Club for over 20 years as a Grounds Superintendent. Mr. Morris has held his Advisor's License since 1978, and his past experience and calm, steady demeanor will bode very well for him at the District.

The Board and Staff welcomed Mr. Morris to the District.

EMPLOYEE RELATIONS – New Employee Introduction, Davis

Brian Powell, Maintenance Manager, introduced Scott Davis, Utility Worker I. Mr. Davis was born in Yuba City, raised in Oroville and attended Las Plumas High School. He is married, has a one year old child and resides in Lincoln. He will be working in the Placer Yard. He has eight years of experience with the US Forest Service as a Firefighter, and experience driving water trucks, etc. He also has experience with paving and grading.

The Board and Staff welcomed Mr. Davis to the District.

MINUTES – June 25, 2014 Regular Meeting

**Approved the Minutes of the Board of Directors' regular meeting of June 25, 2014 as submitted. M/S/C Weber/Miller, unanimously approved**

WARRANTS

**Approved the following warrants: Yuba-Bear Revolving Fund Nos. 26523 through 26564, inclusive; General Fund Revolving Account Nos. 65342 through 65494, No. 65493 being void; Recreation Fund Nos. 4421 through 4443, inclusive; and Payroll Direct Deposit and Warrant Nos. 70847 through 70862 and Nos. V1435 through V1598, inclusive. M/S/C Weber/Miller, unanimously approved**

2014 DROUGHT – Increasing Targets for Conservation (Res. No. 2014-41)

**Adopted Resolution No. 2014-41 (Increasing Drought Conservation Targets for 2014). M/S/C Weber/Miller, unanimously approved**

2014 INTEGRATED REGIONAL WATER MANAGEMENT (IRWM) DROUGHT GRANT SOLICITATION (Res. No. 2014-42)

Tim Crough, Assistant General Manager, presented a request for authorization to submit a grant application with the California Department of Water Resources. This would be in conjunction with the 2014 Integrated Regional Water Management Drought Grant. A Resolution is required as part of the application. Several water agencies and the City of Placerville have worked together under the Cosumnes, American, Bear and Yuba (CABY) Integrated Regional Water Management Program to submit drought related projects. The grant package is specific to four criteria, including interties with

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public agencies and conservation education. The group of agencies includes Georgetown Divide (canal lining project), City of Placerville (waterline replacement project), Placer County Water Agency (Greeley Canal), Nevada Irrigation District (Rock Creek Siphon), Grizzly Flat (infrastructure), El Dorado County Water Authority (building retrofit – plumbing with water conservation) and South Yuba River Citizens' League (region-wide water education forum). The South Yuba River Citizens' League (SYRCL) has been very successful reaching out to the grade schools and middle schools, and the goal would be to expand the program to the entire CABY region. The District will be the primary applicant which requires the Board to adopt a Resolution. Mr. Crough inserted language that allows either the General Manager or the Assistant General Manager to execute the necessary documents associated with the Grant.

Director Weber asked how much money will be devoted to SYRCL's education program.

Mr. Crough stated that the final budget has not been determined at this time. The estimated amount for the District's Project is \$2.5 million.

Director Wilcox asked if the application is on track to meet the July 21 deadline for submittal.

Mr. Crough responded affirmatively. He added that there are a number of individuals working on the application.

**Adopted Resolution No. 2014-42 (Authorizing Application for the 2014 Integrated Regional Water Management Drought Grant). M/S/C Miller/Weber, unanimously approved**

#### NEWTOWN CANAL PROJECT – Current Direction

Gary King, Engineering Manager, stated that he would like to inform the Board of the current direction of the Newtown Canal Rehabilitation Project. No action by the Board is necessary at this time. Currently, there are two properties that the District needs easements from in order to construct the Project in place. Those property owners have indicated that they will cooperate, but the easements have yet to be acquired. Staff will put the Project out to bid to construct the Project in place, unless otherwise directed by the Board. He anticipates that Staff will provide the bid results and award a contract at the Board meeting of September 10, 2014. Between now and then, he is hoping that the additional easements will be acquired. If not, Staff will ask the Board for direction. He will inform the contractors that the Project may or may not happen based on the easement issues.

President Drew stated that he looks forward to receiving the bids and acquiring the easements. If this does not occur, the Board will exercise other options.

Director Wilcox asked if there has been any indication that the one property owner (Patricia Dunne) has undertaken a second appraisal, and whether or not this property owner will proceed in good faith.

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Rem Scherzinger, General Manager, responded affirmatively. He understands that an appraiser will appraise the property, and once this information is obtained by the District, Staff will continue negotiations regarding the right-of-way easements.

Director Wilcox asked about the status of the other property owner.

Mr. King explained that once the Dunne issue is resolved, Staff will pursue easements from the other property owner.

#### STATE WATER RESOURCES CONTROL BOARD – Hearing of July 1 and 2 to Discuss Water Rights Curtailment Orders and Fines

Rem Scherzinger, General Manager, reported that the State Water Resources Control Board (SWRCB) held a hearing on July 1 and that hearing was continued to July 2 to review its ability to curtail water rights under an emergency directive, and to create new regulations by which the Deputy Director of Water Rights would have the authority to directly curtail in order to operate the State's water systems in real time. That hearing was well attended and approximately 50 individuals provided testimony. The SWRCB heard those who spoke. The SWRCB continued the hearings to July 2, so they could confer with Staff. In the end, the ability to curtail post-1914 water rights and the ability to fine those agencies who have not provided certification will be considered by the Office of Administrative Law (OAL). The regulations would go into effect on July 14, 2014 which starts the 270-day clock for curtailment of the water rights. This would mean that 270 days runs into next spring which will force the District not to impound water under the District's post-1914 water rights. Staff is evaluating how these regulations will impact the District. Because of the regulations, 102,000 acre feet of water would not be available to the District. This is significant.

Mr. Scherzinger stated that a letter has been drafted and signed by the District, Paradise and South Feather agencies, and submitted to the SWRCB. The letter is requesting that the SWRCB outline a process to end the curtailment orders. He has asked that the General Managers within the Sierra Foothills meet to discuss these matters.

Mr. Scherzinger stated that of the post-1914 curtailment orders, only 31 percent have submitted certification. Clearly, there is a gap in the order and the processing of the order. He intends to send letters to the SWRCB asking for those within the District's watersheds who have not supplied certifications of curtailment, and to have the SWRCB identify the seniority of those individuals to affirm that they are senior to the District's water rights or that their seniority requires the District to forgo some post-1914 water rights.

#### CLAIMS AND SUITS – Ivy

Rem Scherzinger, General Manager, reported that Staff continues to work positively with Bruce Ivy Construction. At this time, Tim Crough and Brian Powell are working to

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resolve the final series of pay issues on the construction contract, and to make Mr. Ivy whole.

#### SAN JUAN RIDGE TAX PAYERS ASSOCIATION – Meeting

Rem Scherzinger, General Manager, reported that he met with representatives of the San Juan Ridge Tax Payers Association on July 8, 2014 to provide engineering expertise on water systems, and how the Association would operate or install a water system.

#### INTERIM HUMAN RESOURCES MANAGER – Karen Gillespie

Rem Scherzinger, General Manager, announced the appointment of Karen Gillespie as the Interim Human Resources Manager. She has done a fantastic job since her arrival at the District, and he looks forward to working with her.

The Board applauded the appointment of Ms. Gillespie.

#### WATER SUMMIT

Rem Scherzinger, General Manager, announced that the Water Summit is scheduled for July 24, 2014 at 6:00 p.m. at the Don Baggett Theater – Nevada Union High School. The list of invitees is nearly complete, and invitations will be sent in the next day or so. There will be follow up meetings in the community to discuss not only climate change and the drought, but regulatory changes the District is currently faced with.

Director Weber stated that she and Lily-Marie Mora will be speaking on the KNCO and KVMR radio stations on Monday, July 14 about the Water Summit, and will encourage the public to attend.

#### RAW WATER IRRIGATION BOARD

Rem Scherzinger, General Manager, displayed an irrigation board on which the orifice had been altered by a raw water customer to allow more water to pass through.

Chip Close, Operations Manager, stated that this is exactly why the District chose to pursue locking the irrigation boxes to stop this kind of activity.

President Drew complimented Nathan Wasley, Water Superintendent, and other Operations Department staff members for being so diligent on this matter.

Lily-Marie Mora, District customer, asked if this will be brought up at the Water Summit.

President Drew stated that this matter will not be presented at the Water Summit; however, it can be discussed at future community meetings.

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### PUBLIC COMMENT – Paasch

Bob Paasch, District customer, stated that he has been a customer of the District since 1960, and he appreciates the District. He receives water at the end of the West Chicago Park Canal. This season he has been out of water 14 times, and the pastures are the driest they have ever been. He has also suffered financial loss.

President Drew asked Chip Close, Operations Manager, to meet with Mr. Paasch to discuss his concerns.

### GROVE CANAL – Outage

Director Miller complimented Chip Close, Operations Manager, and the Operations Department for the advanced notification of the outage on the Grove Canal. He asked if the Operations Department is considering rotating outages.

Mr. Close stated that this particular outage was for the tie-in of the new Cunningham Siphon off of Dog Bar Road. The contractor was asked to do the tie-in during the night time hours to minimize disruption to District customers. The work was done during the night time hours and was completed five hours earlier than expected.

With regard to rotating outages, Mr. Close stated that it not the most efficient way to resupply water to customers. There may be a few canals within the District where outages can be rotated, but overall, rotation is not a good tool for everyone to utilize.

### GRASS VALLEY KIWANIS CLUB – Speaking Engagement

Director Wilcox reported that he has been invited to speak to the Grass Valley Kiwanis Club. He will be providing a presentation on the District's aging infrastructure and will discuss climate change as it affects the District.

### STRIPED BASS – Update

President Drew provided the Board with an update on striped bass. The Department of Fish and Wildlife, out of a \$20 million budget, produced about 40 million salmon and steelhead. Using their own numbers, predation ranges from 20 to 50 percent. Those numbers are low. This means that 10 to 20 million salmon are being taken by striped bass every year. This also means that the Department of Fish and Wildlife's budget consists of \$5 to \$10 million being used for producing food for striped bass, a non-native invasive predatory species. In addition, Fish and Wildlife makes a great deal of money selling the Bay Delta stamp so that people can catch striped bass and other remaining fish in the system for the Bay Delta area. The indirect losses to the salmon are another 5 million fish as a result of striped bass eating everything that is in the river and Delta system. The young salmon smolts coming down the river do not have anything to eat. There is a high mortality rate of approximately 5 million fish each year as a result of these indirect losses.

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PUBLIC COMMENT – Mora

Lily-Marie Mora, District customer, stated that she has heard that people who reside in some of the low cost housing developments in Grass Valley are not very frugal with water. She asked if the District can provide a notice to these individuals to ask them to conserve.

Rem Scherzinger, General Manager, asked Ms. Mora to provide Staff with addresses so that an investigation can be made.

CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) – Election of Region 2 (Seat C) Board of Directors

**Cast a ballot for Frederick A. Gayle, representative of Sacramento Suburban Water District, for the California Special Districts Association (CSDA) Region 2 (Seat C) Board of Directors. M/S/C Wilcox/Weber**

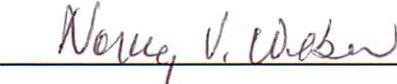
CLOSED SESSION was declared at 9:44 a.m. pursuant to Government Code Section 54956.8 to confer with Real Property Negotiators Scherzinger, Crowe and/or Rondoni regarding price and terms of payment for acquisition of real property; property subject to negotiation is Nevada County Assessor's Parcel No. 36-160-02; Negotiation will be conducted with David A. and Patricia L. Kubich.

MEETING RECONVENED in regular session at 10:09 a.m.

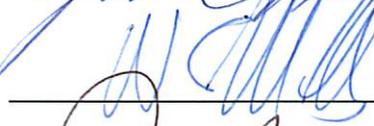
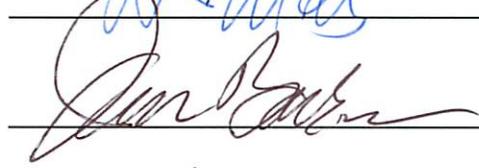
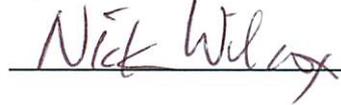
MEETING ADJOURNED at 10:09 a.m. to reconvene in regular session on July 23, 2014, at 9:00 a.m. at the District's main office located at 1036 W. Main Street, Grass Valley, California.

  
Board Secretary

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

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	Division II
	Division III
	Division IV
	Division V