

NEVADA IRRIGATION DISTRICT
BOARD OF DIRECTORS / JOINT POWERS AUTHORITY

MINUTES

January 14, 2015

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 14th day of January 2015 at 9:00 a.m.

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

Staff members present included Remleh Scherzinger, General Manager; Mary Morris, Finance Manager; Chip Close, Operations Manager; Gary King, Engineering Manager; Brian Powell, Maintenance Manager; Keane Sommers, Hydroelectric Manager; Karen Gillespie, Human Resources Manager; Jeff Meith, District Counsel; and Lisa Francis Tassone, Board Secretary.

PUBLIC COMMENT – Altman

David Altman, resident on Peaceful Valley Road in Placer County, noted that comments he made at the December 10, 2014 Board meeting regarding the District's proposed water storage project were not included in the minutes. He feels that the comments are significant to the property owners in the area and that the minutes should be corrected. He requested that the meeting minutes be pulled from the consent agenda.

Mr. Altman stated that a Director had made a comment that if the project proceeds as planned, groundbreaking would not occur for the District's proposed water storage project until 2020. This comment was not included in the minutes, and he would like it included because this information is very important to the property owners.

President Miller pulled the meeting minutes from the consent agenda.

Rem Scherzinger, General Manager, suggested that Mr. Altman meet with the Board Secretary after the Board meeting to review the minutes. The Board Secretary can then

January 14, 2015

review the recording of the meeting and make changes to the minutes as appropriate, and provide the minutes to the Board at the next Board meeting for consideration.

President Miller agreed with Mr. Scherzinger's suggestion.

EMPLOYEE RELATIONS – New Employee Introduction, Beebe

Fred Waymire, Treated Water Superintendent, introduced Steven Beebe, Water Treatment Operator II. Mr. Beebe was born and raised in California, and has lived in the Auburn area since 1992. He was a mechanic with Ford from 1992 until 2012, and was a mechanic with the City of Roseville. From there he spent two years as a treatment plant operator with the City of Sacramento.

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

MINUTES – December 10, 2014 Regular Meeting

The meeting minutes were pulled and will be amended as appropriate and placed on the next Board of Directors' meeting agenda for consideration.

WARRANTS

Approved the following warrants: Yuba-Bear Revolving Fund Nos. 27046 through 27148, No. 26944 being void; General Fund Revolving Account Nos. 67059 through 67390 and 67436 through 67453, Nos. 65388, 62505, 62570, 63648, 64034, 64216, 66454, 66560, and 67391 through 67435 being void; Recreation Fund Nos. 4685 through 4717, No. 4623 being void; and Payroll Direct Deposit and Warrant Nos. 70989 through 70998, V3455 through V3630, 70999 through 71008, V3631 through V3802, 71009 through 71015, and V3803 through V3979, inclusive. M/S/C Weber/Drew, unanimously approved

CalPERS PUBLIC AGENCY REVIEW

Received and filed the CalPERS Public Agency Review, and approved payment of employer and employee contributions on prior special compensation for uniforms. M/S/C Weber/Drew, unanimously approved

LINCOLN CANAL ENCASEMENT (MORGAN) – Conveyance Agreement

Approved Conveyance Agreement with Andrew Morgan for the Lincoln Canal Encasement for the installation of approximately 186 feet of 18-inch pipe to encase a section of the Lincoln Canal. M/S/C Weber/Drew, unanimously approved

DISTRICT FINANCED WATERLINE EXTENSION PROGRAM – Iron Horse / Brewer Road Project (Encumbrance of Funds)

Encumbered funds for the Iron Horse / Brewer Road District Financed Waterline Extension Project. M/S/C Weber/Drew, unanimously approved

January 14, 2015

DISTRICT WATER SERVICE RULES AND REGULATIONS AND POLICY: Storm Water

The matter was pulled from the agenda and will be placed on the next Board of Directors' meeting agenda for consideration.

BRIDGING AGREEMENT – Pacific Gas & Electric Company

Rem Scherzinger, General Manager, reported that the Bridging Agreement with Pacific Gas & Electric Company (PG&E) regarding operations of the Yuba-Bear Hydroelectric Project in concert with PG&E's Drum-Spaulling Project was executed before December 31, 2014. The negotiating team will continue work on the Coordinated Operating Agreement.

FEDERAL ENERGY REGULATORY COMMISSION (FERC) – License Update

Rem Scherzinger, General Manager, reported that FERC will not finalize the environmental document with regard to the District's FERC license until FERC completes Yuba County Water Agency's flow studies. FERC is interested in showing the possibility of a connection between the District's system and Yuba County's system. This will delay the issuance of the National Environmental Policy Act (NEPA) document, and will leave the District with an annual license for an extended period of time. The District's consultant is projecting that the environmental document should be completed between 2018 and 2019. The District may be issued a license from FERC several years after the environmental component is completed.

Director Wilcox asked if the District will be issued a 30 year license. Further, he asked if the sum of the annual licenses is subtracted from the 30 years, or if they are added to the 30 year term for the license.

Jeff Meith, District Counsel, stated that the annual license is effectively the District's old license. FERC can issue a license for no less than 30 years and for no more than 50 years. He stated that the license that the District will ultimately be issued is additive to the annual licenses.

Mr. Scherzinger stated that a number of items that the District has agreed to in the FERC process have been placed on hold until a license will be issued. The District will implement those items that are obviously necessary prior to a license being issued.

Director Wilcox stated that as a demonstration of good faith, the District should consider implementing the agreed upon flows even though the District is operating under an annual license. He asked if the District should make an effort to meet some of the flows as a gesture of good faith.

Mr. Scherzinger stated that Director Wilcox makes a great point. Staff has been evaluating the implementation of several agreed upon items that came out of the licensing process.

January 14, 2015

Mr. Meith reminded that Board that the entire package needs to be considered before implementation of agreed upon items.

WATER CONSERVATION RESULTS – 2014

Rem Scherzinger, General Manager, reported that in 2014, treated water customers reduced their consumption by 16.5 percent. This is approximately 10 percent more than the State as a whole. Customers will need to continue their efforts during 2015.

President Miller stated that these results should be shared with the local media outlets.

WATER STORAGE – Update

Rem Scherzinger, General Manager, reported that the District's current storage is 179,912 acre feet, which is where the District normally is around the end of March.

HUMAN RESOURCES – 2014 Activities

Rem Scherzinger, General Manager, reported activities completed in 2014 by the Human Resources Department as follows:

- 17 retirees
- 34 new hires
- 24 promotions
- 182 active employees (does not include the Board of Directors)
 - 39 females
 - 143 males

PIPE REPLACEMENT / INSTALLATION – Concern Regarding Repaving Roadways

Rem Scherzinger, General Manager, shared with the Board that the District is experiencing an increase in requests for roadways to be repaved as a result of the District completing pipe replacement / installation projects. Some community members expect the District to repave the roadway. He wants the Board to be aware that Staff is working on this matter to meet the needs of the community. It is not the District's job to replace and repair the roadways. The District's job is to replace and repair damage that the District has done to the roadways. The appropriate Committees will see this issue appear on agendas in order to find a resolution to this concern, so that it is equitable to all involved.

Director Wilcox asked if the District has compromised its position by repaving roadways on several projects in years past (i.e. Cement Hill and Lee Lane).

Mr. Scherzinger explained that in the past, roadways have been repaved when the pipe size has been so significant, and the damage to the roadway was so significant. He does not feel that the District's past practice effects the item of concern he has raised.

January 14, 2015

Director Weber pointed out that the repaving that occurred during the Cement Hill project was negotiated with Nevada County, and the County and the District shared in the cost of the repaving.

NEVADA COUNTY'S SUSTAINABLE FARM AND FOOD CONFERENCE

Director Weber reported that she provided a presentation to those who attended the Nevada County's Sustainable Farm and Food Conference on January 10 and 11. She discussed the State's water right curtailment notices, and the possible implications to the agriculture industry. She provided a power point presentation, and thanked Mary Morris, Finance Manager, for her assistance in preparing the power point. Approximately 50 people were in attendance.

STRIPED BASS – Fishing Competition

Director Drew announced that he is taking a proactive approach to balance the fish population, and he would like to offer a fishing tackle box to the District employee who catches the most striped bass in 2015. The award will be repeated until the salmon recover.

PENN VALLEY TOWN HALL MEETING

Director Wilcox reported that he will be providing a water supply update at the Penn Valley Chamber Town Hall meeting on January 20, 2015.

LETTER TO THE EDITOR – By District Employee Monica Reyes

Director Wilcox thanked Monica Reyes, Customer Service Administrator, for the Letter to the Editor she submitted to The Union newspaper in response to a customer concern. He felt that Ms. Reyes provided a very nice response.

PROPOSED WATER STORAGE PROJECT – Tour

President Miller reported that he and Director Weber attended a tour led by Doug Roderick, Senior Engineer, of the District's proposed water storage project. He stated that he is impressed with the efforts made by the District's Maintenance Department to construct a viewing platform. He encouraged the other Directors to coordinate with Staff a visit to the site.

PLACER COUNTY WATER AGENCY – Retirement of David Breninger, General Manager

President Miller stated that he has asked Staff to reserve a table for Mr. Breninger's retirement event on March 6, 2015, and would encourage the Directors to attend. He would like to prepare a plaque that displays the American River Pump Station project so that it can be presented to Mr. Breninger.

BOARD COMMITTEES FOR 2015

The President's 2015 Board Committee appointments are as follows:

Meeting Day/Time Committee and Members (Staff Attendance)

1st Tuesday
9:00 A.M.

ADMINISTRATIVE PRACTICES

Weber, Miller (Scherzinger, Crough, Morris, Tassone, Gillespie)

- Personnel matters and employee benefits
- Annexation requests
- Office Procedure
- Internal Board policy (per diem, travel, etc.)
- District memberships and subscriptions
- Board and management objectives
- Budgets and financial reporting
- Audit control
- Collection of accounts
- Insurance and Bonds

2nd Tuesday
9:00 A.M.

WATER & HYDROELECTRIC OPERATIONS

Miller, Bachman (Scherzinger, Crough, Sommers, Close)

- Water supply and utilization
- Water delivery policy
- Hydroelectric power policy
- Hydroelectric Division activities

3rd Tuesday
9:00 A.M.

ENGINEERING

Drew, Wilcox (Scherzinger, Crough, King, Matteoni)

- Develop and revise engineering policies
- Priorities and funding for system development
- Capital improvement projects (treated and raw water)
- Hydroelectric power contracts

4th Tuesday
9:00 A.M.

MAINTENANCE & RESOURCE MANAGEMENT

Drew, Weber (Scherzinger, Crough, Powell, Davidson)

- Maintenance policy (including funding)
- Resource management policy
- Recreation
- Safety
- Building activities

As Needed
During the Year

WATER RATES

Drew, Miller

OTHER COMMITTEES/ASSOCIATIONS/COUNCILS

Ad Hoc

LABOR

Weber, Miller

(Scherzinger, Crough, District Counsel)

Ad Hoc

INTERGOVERNMENTAL RELATIONS

Scherzinger, Crough, Wilcox

- City and County relations and agreements
- Local government program coordination
- State and Federal relations

January 14, 2015

- Ad Hoc ECONOMIC RESOURCE COUNCIL
Scherzinger or Designated Representative
- Support and enhance the local economic vitality by supporting the retention, creation, and attraction of quality jobs while at the same time preserving the unique environment
- Quarterly WATER PLANNING COMMITTEE – PCWA & NID
Weber, Wilcox
- Mutual programs and/or projects
 - Meet together on the need for cooperation on water and power issues facing and affecting both agencies.
 - Advisory committee to initiate policy level dialogues between PCWA and NID
 - Facilitate communication / outreach between Boards (7/6/2000 1st meeting)
- Ad Hoc HYDRO POWER SALES AGREEMENT
Miller, Wilcox
- Ad Hoc CABY FISCAL OVERSIGHT COMMITTEE
Drew
- Ad Hoc RESERVOIR SEDIMENT ISSUE
Miller/Wilcox
- 2nd Friday, bimonthly Mountain Counties Water Resources Association
Weber (Wilcox as alternate)
- Ad Hoc Placer County Water Resources Council
Bachman
- Tribute Trail Association
Wilcox
- City of Grass Valley Oversight Board
Wilcox (Drew as alternate)
- ACWA Joint Powers Insurance Authority
Weber (Crough as alternate)

PUBLIC COMMENT ON ANY ITEM TO BE CONSIDERED IN CLOSED SESSION –
Conrads

James Conrads addressed the Board regarding a property purchase at 15052 Magnolia Road. He and his wife were in escrow and at the end of the inspection period. The real estate agent received an all cash, no contingency back-up offer from the District, as well as a message to pass along to the Conrads. The message, and he quoted, “NID will own this property one way or the other.” The message also confirmed that the District would institute eminent domain and condemnation proceedings, if necessary. The agent, Raphael Carricato, operating on behalf of the District was not authorized to provide any details about what the property action was stemming from, only that the offer was made by the District.

January 14, 2015

Mr. and Mrs. Conrads decided to abandon the transaction before other deposits were in jeopardy. He had incurred a significant amount of escrow costs associated with the investigation of the property. He filed a claim for reimbursement with Mr. Crough, and has had a number of conversations with him. He and his wife are asking the Board for any consideration or accommodation to reimburse the Conrads the significant costs, including legal fees.

CLOSED SESSION was declared at 9:30 a.m. pursuant to Government Code Section 54956.8 to confer with Real Property Negotiators Scherzinger, Sommers, 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 9:30 a.m. pursuant to Government Code Section 54956.9 to confer with District Counsel regarding pending litigation – Claim of James Conrads.

MEETING RECONVENED in regular session at 10:14 a.m.

CLAIMS & SUITS – Conrads

Rejected claim by James Conrads. M/S/C Drew/Weber, unanimously approved

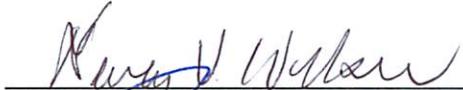
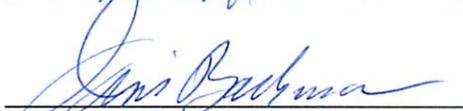
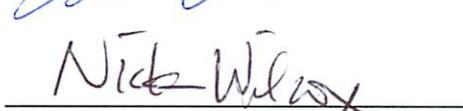
Mr. Conrads stated that he is looking to set roots and start a farm and family in the Nevada County area. He has spent a great deal of money on the escrow for the property on Magnolia Road that he and his wife entered into and later abandoned. He is asking for good will. He pointed out that the District “got a great value” for the property. He is asking for the District to understand his position, and he expressed appreciation for the Board’s consideration.

MEETING ADJOURNED at 10:19 a.m. to reconvene in regular session on January 28, 2015, at 9:00 a.m. at the District's main office located at 1036 W. Main Street, Grass Valley, California.

January 14, 2015

Iva Francis Jassone
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
	Division II
	Division III
	Division IV
	Division V