

NEVADA IRRIGATION DISTRICT  
BOARD OF DIRECTORS / JOINT POWERS AUTHORITY

MINUTES

April 22, 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 22nd day of April 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) and Nick Wilcox (Division V), Directors.

Jim Bachman, Director (Division IV), was absent.

Staff members present included Rem Scherzinger, General Manager; Tim Crough, Assistant General Manager; Mary A. Morris, Finance Manager; Chip Close, Operations Manager; Gary King, Engineering Manager; Keane Sommers, Hydroelectric Manager; Brian Powell, Maintenance Manager; Karen Gillespie, Human Resources Manager; Anthony Soares, District Counsel; and Lisa Francis Tassone, Board Secretary.

ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) / JOINT POWERS INSURANCE AUTHORITY (JPIA) EXECUTIVE COMMITTEE – Election (Adding Item to Agenda)

Director Weber stated that the election for the ACWA / JPIA Executive Committee will be held on May 4, 2015, and the District's Directors will not meet again until May 13. Therefore, this item needs to be added to the agenda. Five seats are up for election and there are nine candidates.

**Director Wilcox made a motion to add an item to the agenda regarding consideration of candidates for the election to the Association of California Water Agencies / Joint Powers Insurance Authority Executive Committee. President Miller seconded the motion.**

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

**Weber, Division I                      Aye**

April 22, 2015

<b>Drew, Division II</b>	<b>Aye</b>
<b>Miller, Division III</b>	<b>Aye</b>
<b>Bachman, Division IV</b>	<b>Absent</b>
<b>Wilcox, Division V</b>	<b>Aye</b>

PUBLIC COMMENT – Vaughn

Robert Vaughn, 10860 Atwood Road, stated that the District is going to have to take actions regarding the drought. He stated that he is addressing the Board because he wants to be treated fairly. He believes that the Board will want to treat all District customers fairly. He has lost three inches of irrigation water and now has to use City water to supplement the water he lost in order to maintain five acres. He has thousands of dollars' worth of landscaping. He sees that the Governor wants to address the drought by increasing rates for usage, and this would be for treated water, not irrigation water. Mr. Vaughn has installed controllers that check the weather and adjust the water accordingly. He would ask that the Board consider in the District's rate structure a method in which customers are not penalized for using water. Suggestions for reducing water usage would include attacking leaks with indoor or outdoor plumbing. It would also be beneficial to have timers for all lawn watering.

PUBLIC COMMENT – Forrest

Mike Forrest, Project Manager with AECOM, introduced himself to the Board. His firm is located in Oakland, CA, and he will be working with the District to site a dam on the Bear River between the Combie and Rollins Dams. Mr. Forrest introduced Ted Feldsher as the Project Engineer. AECOM will begin work as soon as possible on the geotechnical investigation.

PUBLIC COMMENT – Mora

Lily Marie-Mora, District customer, encouraged the District to invite members of the State Water Resources Control Board and the Governor to the District's Drought Briefing in May.

MINUTES – April 8, 2015 Regular Meeting

**Director Weber made a motion to approve the minutes of the regular meeting on April 8, 2015. Director Wilcox seconded the motion.**

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

<b>Weber, Division I</b>	<b>Aye</b>
<b>Drew, Division II</b>	<b>Aye</b>
<b>Miller, Division III</b>	<b>Aye</b>
<b>Bachman, Division IV</b>	<b>Absent</b>
<b>Wilcox, Division V</b>	<b>Aye</b>

WARRANTS

Director Weber made a motion to approve the following warrants: Yuba-Bear Revolving Fund Nos. 28550 through 28593, No. 27328 being void; General Fund Revolving Account Nos. 68393 through 68531, Nos. 68319, 67534 and 68315 being void; Recreation Fund Nos. 5132 through 5147, Nos. 5116 through 5131 and 5166 through 5181 being void; and Payroll Direct Deposit and Warrant Nos. 80000 through 80009 and V5036 through V5214, Nos. 71070 through 79999 being void. Director Wilcox seconded the motion.

Motion passed on the following roll call vote:

Weber, Division I	Aye
Drew, Division II	Aye
Miller, Division III	Aye
Bachman, Division IV	Absent
Wilcox, Division V	Aye

OUTDATED ADMINISTRATIVE POLICIES (Res. No. 2015-09)

Director Weber made a motion to adopt Resolution No. 2015-09 (Rescinding Outdated Administrative Policies). Director Wilcox seconded the motion.

Motion passed on the following roll call vote:

Weber, Division I	Aye
Drew, Division II	Aye
Miller, Division III	Aye
Bachman, Division IV	Absent
Wilcox, Division V	Aye

POLICY: Administrative Policies – Employee Recognition and Retirement Recognition (Res. No. 2015-10)

Director Weber made a motion to adopt Resolution No. 2015-10 (Establishing Policies for Administration – Employee Recognition and Retirement Recognition). Director Wilcox seconded the motion.

Motion passed on the following roll call vote:

Weber, Division I	Aye
Drew, Division II	Aye
Miller, Division III	Aye
Bachman, Division IV	Absent
Wilcox, Division V	Aye

April 22, 2015

2014 ANNUAL COMPLIANCE ASSESSMENT – NID Report on Compliance with the North American Electric Reliability Corporation (NERC) and Western Electricity Coordinating Council (WECC) Reliability Standards

Director Weber made a motion to receive and file the 2014 Annual Compliance Assessment – NID Report on Compliance with the North American Reliability Corporation (NERC) and Western Electricity Coordinating Council (WECC) Reliability Standards, prepared in conformance with the NID Internal Compliance Program (ICP). Director Wilcox seconded the motion.

Motion passed on the following roll call vote:

Weber, Division I	Aye
Drew, Division II	Aye
Miller, Division III	Aye
Bachman, Division IV	Absent
Wilcox, Division V	Aye

MERCURY REMOVAL – Option to Purchase Pegasus Remediation Machine

Director Weber made a motion to approve purchase of the Pegasus Mercury Remediation Machine and associated budget amendment, and authorize the General Manager to execute the necessary documents. Director Wilcox seconded the motion.

Motion passed on the following roll call vote:

Weber, Division I	Aye
Drew, Division II	Aye
Miller, Division III	Aye
Bachman, Division IV	Absent
Wilcox, Division V	Aye

AWARD OF CONTRACT – Bowman Spaulding Canal Liner Project

Director Weber made a motion to award contract to Hansen Bros. Enterprises in the amount of \$430,118 to construct the Bowman Spaulding Canal Liner Project, and authorize the General Manager to execute the necessary documents. Director Wilcox seconded the motion.

Motion passed on the following roll call vote:

Weber, Division I	Aye
Drew, Division II	Aye
Miller, Division III	Aye
Bachman, Division IV	Absent
Wilcox, Division V	Aye

QUARTERLY INVESTMENT REPORT – For Quarter Ending March 31, 2015

**Director Weber made a motion to receive and file Quarterly Investment Report for quarter ending March 31, 2015, in accordance with the District’s Investment Policy. Director Wilcox seconded the motion.**

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

<b>Weber, Division I</b>	<b>Aye</b>
<b>Drew, Division II</b>	<b>Aye</b>
<b>Miller, Division III</b>	<b>Aye</b>
<b>Bachman, Division IV</b>	<b>Absent</b>
<b>Wilcox, Division V</b>	<b>Aye</b>

E. GEORGE TO CASCADE SHORES TRANSMISSION MAIN PROJECT – Preliminary Review & Initial Study (Res. No. 2015-11)

Tonia Tabucchi Herrera, Associate Engineer, provided the following presentation on the Preliminary Review and Initial Study and the Mitigated Negative Declaration for the E. George to Cascade Shores Transmission Main Project:

*Purpose of Project:*

- Provide a reliable treated water source to Cascade Shores by reducing dependence on the South Yuba Canal for the Cascade Shores area
- Abandon the small and outdated Cascade Shores Water Treatment Plant
- Provide pipelines with treated water capacity available for people along and abutting the pipeline path

*Proposed Scope:*

- Install approximately 16,200 linear feet of 12-inch pipeline
- Abandon Cascade Shores Water Treatment Plant
- Remove Sargent Jacobs Pump Station
- Provide availability to treated water for properties within District boundaries
- Provide the potential for treated water available to property owners outside of the District
- Provide fire hydrants along the project inside and outside of the District
- Provide stub out for future extension of pipeline to serve treated water

*Project Controls:*

- Traffic
  - Average speeds will slow due to construction
  - Temporary increase of construction vehicles
  - Traffic delays will be limited to 20 minutes
  - Adjoining residents will be notified by mail
  - Construction notices will be posted on the District’s website
- Construction Staging
- Incremental Weather

President Miller asked if the work will be done in County roads.

Ms. Herrera stated that most of the work will be constructed in County roads, and the remaining work will be constructed in the District's easements on private roads. Most of the roads are paved, but some of the roads have a gravel surface.

Director Weber stated that she has submitted a request to Rem Scherzinger, General Manager, regarding the establishment of a procedure for dealing with private roads. There is a concern that many private roads do not have adequate road base or asphalt cover, and when the District completes construction, there is an expectation that the District will repave the roadways. She stated that before the E. George to Cascade Shores Transmission Main Project is initiated, she would like to see that policy implemented.

Ms. Herrera stated that Director Weber's comment is duly noted.

*Mitigation Measures:*

- AIR-1: Dust and Emissions Control Plan
  - All material transported off-site shall be either sufficiently watered or securely covered
  - All material excavated, stockpiled, or graded shall be sufficiently watered, treated or covered to prevent fugitive dust from leaving the property boundaries and/or causing a public nuisance
  - Paved streets adjacent to the project shall be reasonably clean through methods such as sweeping or washing at the end of each day, or more frequently if necessary (pursuant to the Governor's regulations pertaining to the drought)
- BIO-1: Avoid or Minimize Impacts to Endangered, Threatened, Rare and/or Special Status Plants
  - To avoid or minimize impacts to endangered, threatened, rare and/or special status plants that have the "potential to occur" within the project area, pre-construction surveys will be conducted
- BIO-2: Avoid Disturbance of Nesting Special-Status and Non-Special Status Migratory Birds and Raptors
  - If construction activities are scheduled to occur during the nesting season (approximately March 1 through August 31) a qualified wildlife biologist will be retained to conduct a pre-construction nesting survey within the appropriate habitat
- CULTURAL-1: Proper Handling of Inadvertent Discovery of Cultural and Paleontological Resources
  - If NID or its contractor finds archeological, paleontological, or human remains, NID and its contractor will stop work and isolate the area using orange or yellow fencing until the appropriate regulatory agency is contacted and clears the area for future work; NID, at its discretion, can move construction activities and restart activities at a distance not expected to affect or disturb the find; work can proceed away from the area of the find but cannot proceed toward the area of the find

April 22, 2015

- CULTURAL-2: Proper Handling of Inadvertent Discovery of Human Remains
  - If human remains are encountered, work shall 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 (NAHC) within 24 hours of this identification
- GEO-1: Sedimentation and Erosion Control Measures
  - In compliance with the requirements of the State General Construction Activity Storm Water Permit, NID shall obtain coverage under the current Construction General Permit (2009-0009-DWQ) and prepare a Storm Water Pollution Prevention Plan (SWPPP) that incorporates measures or comparable Best Management Practices

Director Weber asked if there are any streams that this project will cross.

Ms. Herrera stated that the project will cross Clipper Creek which is piped.

Mr. Scherzinger asked how the Project will cross Clipper Creek.

Ms. Herrera stated that the pipe will be installed under Clipper Creek.

Mr. Scherzinger asked if the installation will be boring jack or directional drill.

Ms. Herrera stated that the method has not yet been determined.

- HAZ-1: Avoid/Minimize Potential Impacts from Construction Material Release
  - Prior to construction, the contractor shall develop a Spill Prevention and Contingency Plan for the project
- NOISE-1: Noise Reduction Measures
  - Construction will be limited to daytime hours between 7:00 a.m. and 7:00 p.m. on weekdays, and possibly Saturdays
  - Changing the location of stationary construction equipment when practical
  - Shutting off idling equipment
- TRANS-1: Restore Road to Pre-Existing Conditions
  - Roads that are damaged by construction will be restored to pre-construction conditions where feasible by NID or its contractor; this may include repaving, re-graveling or grading disturbed areas; NID shall document road conditions pre-construction to provide a basis for restoration
- TRANS-2: Prepare Plan for Traffic Control, Including Emergency Access
  - During construction, NID or its contractor will prepare a plan to minimize interference with normal traffic flows

Director Weber stated that when the Lower Cascade Canal / Banner Cascade Pipeline Project was constructed, the 20 minute delays were difficult for those parents taking their children to school. Sometimes, they were trapped a total of 80 minutes per day.

April 22, 2015

She received a number of irate calls about this issue. She suggested that detours be considered during the heavy traffic periods.

Ms. Herrera stated that every effort will be made to minimize the impacts from the Project. Director Weber's comment about planning detours is duly noted.

*Estimated Timeline:*

- Complete bloom surveys
- Bid late Summer 2015
- Construction Fall 2015 through Fall 2016 (weather dependent)

*Information Timeline:*

- Held Project Information Meeting on July 29, 2014
  - Mailed notices to 105 property owners along the route and posted on the District's website
- Held Project California Environmental Quality Act (CEQA) Informational Meeting on March 8, 2015
  - Mailed notices to 105 property owners along the route and posted on the District's website
- Extended Public Review Period and Rescheduled Public Hearing to April 22, 2015
  - Mailed notices to 105 property owners along the route and posted on the District's website

President Miller opened the public hearing.

Director Drew stated that the Preliminary Review / Initial Study and the Staff Report contain language that the Project's dependence on the South Yuba Canal will be eliminated, and reliance will be removed. He would like to know how that works.

Ms. Herrera explained that the Cascade Shores Water Treatment Plant's water source is from the South Yuba Canal. During the winter time when the South Yuba Canal experiences an outage, the District has to rely on any storage available in the Cascade pipeline.

Director Drew stated that all of this water comes from the South Yuba Canal. He asked how the District will eliminate reliance on this Canal.

Director Wilcox stated that a pump station is being constructed to take water from Scotts Flat to re-water the Cascade system.

Chip Close, Operations Manager, explained that the pump station is one backup for the South Yuba Canal outages. However, the discharge for that pump station is below the Cascade Shores Water Treatment Plant. At this time, the only source of supply for the Cascade Shores Water Treatment Plant is the South Yuba Canal. The E. George



April 22, 2015

Water Treatment Plant has multiple options for supply water, including Pinewoods Pump Station which is pulling water out of the DS Canal which is supplied by Scotts Flat Reservoir. Scotts Flat Reservoir capacity becomes available to supply the Cascade Shores Water Treatment Plant instead of only the Canal.

Director Drew asked if all of these systems are fed by the South Yuba Canal.

Mr. Close responded affirmatively.

Director Drew stated that the statements in the Study and the Staff Report do not work for him.

President Miller suggested replacing the statements with the words 'minimize' and 'limit reliance.'

Director Drew would like the statement to read that the Project will reduce reliance on the South Yuba Canal.

Ms. Herrera clarified the excerpt from the Staff Report as follows (changes in ~~strikeout~~ and *italics*):

"Currently, the Cascade Shores system is dependent on the South Yuba Canal raw water delivery system as a *its* source of raw water. This system has experienced numerous failures requiring the Cascade Shores system to use water stored in the Cascade Pipeline until repairs are complete. *There is no other raw water storage available at this point in the delivery system.*

The intent of this project is to provide treated water from the E. George system to the Cascade Shores system. This project is critical to providing a more reliable water delivery system to the Cascade Shores system. ~~and removes its reliance on the South Yuba Canal.~~ Service would be from the modernized and expanded E. George Water Treatment Plant (WTP). *While the source for the E. George WTP is the South Yuba Canal, there are multiple raw water conveyance and storage options that make this treatment plant a more reliable source for the Cascade Shores system.* In addition, to providing a more reliable water source this new pipeline would: . . ."

Lily Marie-Mora, District customer, stated that developments are allowed, and the Cascade Shores development does not seem well thought out. She asked if the District can ensure that this does not reoccur.

Mr. Scherzinger stated that the Board has directed him to interact with the County to continue to push the District's issues forward and to ensure that as developments materialize that there is appropriate facilities to take care of them.

Discussion ensued about taking the Cascade Shores Water Treatment Plant off-line. Mr. Scherzinger stated that by doing so, the District will save money.

April 22, 2015

The Board Secretary stated that no correspondence has been received regarding this Project.

President Miller closed the public hearing.

Director Drew reiterated that he does not like the statement in the Study and the Staff Report.

Director Weber asked if the wording can be changed.

Mr. Scherzinger stated that the modifications will be made in this meeting's minutes.

Director Wilcox noted that this is an excellent Project and will provide an enormous benefit to the residents in the area. The Project will allow the District to expand the service area and to expand the District's Sphere of Influence. This Project is entirely in the roadways and is a benign Project. In his opinion, the environmental document is entirely adequate.

**President Miller made a motion to adopt Resolution No. 2015-11 (Adopting a Mitigated Negative Declaration, and Approving Project and Mitigation Monitoring and Reporting Program – E. George to Cascade Shores Transmission Main Project). Director Drew seconded the motion.**

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

<b>Weber, Division I</b>	<b>Aye</b>
<b>Drew, Division II</b>	<b>Aye</b>
<b>Miller, Division III</b>	<b>Aye</b>
<b>Bachman, Division IV</b>	<b>Absent</b>
<b>Wilcox, Division V</b>	<b>Aye</b>

STATE WATER RESOURCES CONTROL BOARD – Proposed Conservation Regulation

Rem Scherzinger, General Manager, provided an update on the State Water Resources Control Board's (SWRCB) proposed regulation. Clearly, the media is being utilized by the State as it tries to bring forward a number of conservation efforts. To date, the District has continually worked with the Mountain Counties Water Resources Association (MCWRA) to draft a letter from MCWRA and collaborated with the Northern California Water Association (NCWA) and the Regional Water Authority (RWA) to provide an understanding to the SWRCB that Northern California and the rural areas are very different from the urban areas which seem to be the target of the majority of their activities. The District has also been working with the Association of California Water Agencies (ACWA). District Counsel has been attending meetings to discuss the drought regulations. The SWRCB seems to be operating under a series of regulations

April 22, 2015

that they have already produced internally as they have gone through this process. The District is working with NCWA individually to provide comments that represent the Northern California region. The framework indicates that the District is placed in the 36 percentile in terms of conservation. This is over and above what the District needs to conserve, given the amount of storage the District has. Internally, Staff is working on drafting a response to the SWRCB. One of the items the Governor has decided not to regulate is the agricultural water customers. The regulations are focused on treated water customers. The issue for the District is how gallons per capita per day will be reported and the window that the SWRCB is using to measure. The SWRCB is using the months of July through September (high usage months that do not fully represent the bandwidths of the District's deliveries). This will be difficult for the District because the meters are read on a bi-monthly basis. The District is not interested in assessing fines to customers because there is enough water to make deliveries this year.

Mr. Scherzinger stated that San Juan Capistrano failed in its attempt to defend its conservation tiers. Their conservation tier structure was arbitrary in that they were attempting to use value to drive conservation. That is clearly, in his opinion, a violation of Proposition 218, because it does not show benefit to the customer. The District will propose a conservation tier that will benefit its customers. During the Proposition 218 process, the District will demonstrate very clearly to the customers what each tier means and what pieces of the conservation program, legal program and water purchase program are embedded in those activities.

Mr. Scherzinger provided a quote from the Governor: "The practical effect of the court's decision is to put a straight-jacket on local government at a time when maximum flexibility is needed. My policy is and will continue to be to employ every method possible to ensure that water is conserved across California."

Mr. Scherzinger stated that the District is 100 percent behind the Governor's sentiment. However, the Board is the best decision maker of what level of conservation is needed for the District's stakeholders. The District is doing everything possible to ensure that conservation methods are appropriate and that the District complies with the rules and regulations. The rules and regulations will go into effect June 1, 2015.

Director Wilcox stated that in the District's letter to the SWRCB, Mr. Scherzinger argued that the District should be allowed to make up the 35 to 36 percent by a combination of water generated by reductions in urban and agriculture water, under the assumption that either way, the water ends up in the District's reservoir and reflects as carry over storage at the end of the year. He asked if there has been any response to the District's argument.

Mr. Scherzinger stated that he felt that this argument would carry. There was a modification in the framework as it is proposed currently. It does not benefit the District and it does not offset. The modification is that if water is not being imported and it can be shown that there has been average rainfall, the water purveyor can submit a letter to the SWRCB and request a four percent reduction to the mandatory reduction. He intends to propose changes to the reporting methodology.

April 22, 2015

Director Wilcox stated that in round numbers, 35 percent of urban / municipal demand is about 3,500 acre feet, more or less. This would be easy to accomplish with the agriculture sector and would have the same net effect. This seems to him a reasonable proposition. The agriculture community is willing to step up and cut deliveries.

President Miller stated that he appreciated the argument in the letter regarding fighting wild fires. It is important to have some element of irrigation so that the fires can be fought.

Mr. Scherzinger stated that he believes solid and strong arguments have been submitted to the SWRCB. Approximately 200 letters were submitted to the SWRCB after the first framework was introduced. The SWRCB released the revised framework days later. He would challenge any organization of their size to review 200 letters, make a judgement call and move forward with regulations. Clearly, this is not where the SWRCB is operating, so he is finding it very difficult to find any foothold in this process to make the District's arguments. The District, if allowed to operate within its own control and governing structure, could weather this storm nicely. Should the District need help, looking to the State for support would be what the District would do. At this time, the amount of resources the District is expending, both internally and externally, to deal with this issue is extraordinary. The time and money could be used to solve the problem and weather the drought.

Director Wilcox stated that there is an exemption for districts that have sufficient carry over storage to provide multiple years of water supply. Arguably, the District is close to being in that category.

Mr. Scherzinger agreed; however, the District does not have the average rainfall. He stated that he would like to propose that if the District has sufficient storage and does not purchase water outside of the District, that the mandatory conservation would be reset to 25 percent, and the District will move forward. Conservation is important and there is a drought. The District is committed to saving and making as much headway regarding conservation as possible. The District is interested in reaching out to the State and region levels to develop a coalition of understanding.

Director Weber was pleased to see the letter the District submitted to the State. She feels that conservation should be for both urban and rural customers because if one group is targeted, then there is partisanship within the District's communities, pitting the treated water customers against the raw water customers, or vice versa. This cannot be allowed to happen. "One size does not fit all."

Director Drew stated that a treated water customer cuts back on their water, they are billed less. He asked how the District would quantify or measure if a raw water customer reduces their water, and if their bill would be reduced. He is unaware of any meters for raw water customer accounts.

April 22, 2015

Mr. Scherzinger stated that there are no meters. The only way to reduce water is to have raw water customers voluntarily reduce their allotment. The orifice on their water box would be changed, and the reduction can be quantified in the District's system. If raw water customers are willing to reduce their allotment, they will be guaranteed the volume they gave up when the drought is over.

Director Drew stated that water reduction is going to represent a significant reduction in revenue. The costs will equal or exceed current costs to operate and monitor the system. He asked how the loss of revenue will be addressed.

Mr. Scherzinger stated that as part of the Proposition 218 process, adjustments will be made within the conservation tier pricing.

Mr. Scherzinger addressed Director Weber's concern. The District is committed to 20 percent conservation for all customers.

Director Drew stated that it would be interesting if the District could quantify the amount of raw water that is not being used (supply vs. usage).

President Miller stated that he would like to discuss during the budget process increasing the budget for the District's SCADA system, to enhance monitoring raw water usage.

Director Drew suggested having a display ad in the newspapers regarding agricultural customers wanting to reduce their allotment of water. The ad should indicate that when the drought is over, the original allotment would be restored.

Mr. Scherzinger stated that the District stands ready to serve with conservation methods in place that are reasonable for this District.

Director Weber asked how the District is going to share information with the community.

Mr. Scherzinger stated that the District's Water Efficiency Technician will be working in the communities, and Staff will be meeting with cities and counties in the District, as well as neighboring agencies.

Chip Close, Operations Manager, pointed out that Staff has prepared a direct mailing for customers about the mandatory conservation percentile, but the SWRCB keeps changing the target.

Director Weber asked if the District will be holding a Drought Briefing.

Mr. Scherzinger responded affirmatively. The Briefing will be held in May at the Veteran's Hall in Grass Valley.

April 22, 2015

Lily Marie-Mora, District customer, stated that she would like information about the Briefing before the Briefing is held so that she can market the Briefing on the local radio stations.

ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) / JOINT POWERS INSURANCE AUTHORITY (JPIA) EXECUTIVE COMMITTEE – Election

**Authorized Director Weber, District Representative to the ACWA JPIA, to cast a ballot to elect up to five candidates to the ACWA/JPIA Executive Committee. M/S/C Drew/Wilcox, unanimously approved**

WATER STORAGE – Update

Rem Scherzinger, General Manager, reported that the District has 217,000 acre feet in storage. Scotts Flat is at 67 percent of capacity, and there is 70 cfs in the South Yuba Canal.

LOCAL AGENCY FORMATION COMMISSION (LAFCo) – Mobile Workshop

Rem Scherzinger, General Manager, reported that he provided a tour of Scotts Flat and the Scotts Flat Powerhouse for the LAFCo Mobile Workshop. He stated that he was able to point out the District's three business lines – water, hydroelectric and recreation.

Director Wilcox attended the workshop and thanked Mr. Scherzinger for providing the tour.

UPPER COUNTRY – Tour

Rem Scherzinger, General Manager, reported that he and Directors Weber and Drew toured the Upper Country to view District facilities on both District and Forest Service lands. They discussed the future of these facilities. He brought in a large bag of shot gun shells and stated that these shells were harvested from a non-camping area that was near a camping area. He pointed out that there is to be no shooting in this area.

SPEAKING ENGAGEMENTS – General Manager

Rem Scherzinger, General Manager, reported that he provided a presentation to the Western Snow Conference, and participated as a panelist at the Sierra Fund's Reclaiming the Sierra event regarding mercury remediation. Director Drew attended the Western Snow Conference, and Directors Weber and Drew attended the Reclaiming the Sierra event.

2015 AGRICULTURAL TOUR

Rem Scherzinger, General Manager, reported that he has committed the District to the 2015 Agricultural Tour in June. He is proposing that the Tour take place in the Lake of the Pines Area.

April 22, 2015

FOOTHILLS WATER NETWORK – Meeting

Rem Scherzinger, General Manager, reported that a final meeting was held with the Foothills Water Network (FWN). He is in the process of writing a letter requesting the State Water Resources Control Board's (SWRCB) support as it relates to the District's water rights petitions. The SWRCB will review what has and has not been agreed to and find some commonality in order to address FWN's petition. Should this not yield resolution, the District will move on to a hearing with the SWRCB. FWN indicated in the meeting that they see a clear and distinct decoupling of the petitions on the 14 water rights and the proposed Water Storage Project filing. Also, some resolution occurred regarding flows in Deer Creek.

NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION (NERC) – Appeal

Rem Scherzinger, General Manager, reported that the District's appeal with NERC regarding the District's generator / owner status has been rejected. Internally, discussions are being held regarding whether or not to pursue a Federal Energy Regulatory Commission (FERC) appeal.

PUBLIC COMMENT – Hagan

Dave Hagan, District customer, stated that he has not lived in the area very long, and this is the first Board meeting he has attended. He has learned a great deal, and is reassured about storage capacity. He is trying to get a sense of what the long term prospects are for the District if this drought continues.

President Miller stated that Staff has been managing the District's water storage very well. This allows the District to make its deliveries this year with carryover. The question is when the drought will end. He also noted that the District is in the process of beginning work on a water storage project (Parker Dam).

Chip Close, Operations Manager, suggested to Mr. Hagan that he view the District's Urban Water Management Plan on the District's website. The Drought Contingency Plan is also on the website, and will be updated in the near future.

Rem Scherzinger, General Manager, also recommended that Mr. Hagan attend the District's Drought Briefing in May.

BOARD MEETING AND NID/PCWA WATER PLANNING COMMITTEE MEETING – Director Wilcox's Status

Director Wilcox reported that he will be unable to attend the Board of Directors meeting on May 13 and the NID/PCWA Water Planning Committee meeting on May 14. He asked the President to appoint an alternate for the Water Planning Committee.

President Miller appointed Director Drew as an alternate to the NID/PCWA Water Planning Committee.

April 22, 2015

EARTH DAY – Event

Director Weber reported that today is Earth Day. She hopes that everyone finds a way to celebrate. The South Yuba River Citizens League (SYRCL) is holding an open meeting tonight at Peace Lutheran Church between 5:30 p.m. and 8:00 p.m. to celebrate Earth Day.

RECLAIMING THE SIERRA 2015: THE NEW GOLD RUSH – Report by Directors Weber and Drew

Director Drew stated that the Reclaiming the Sierra event was well attended and Elizabeth “Izzy” Martin provided a very nice speech. There were panels and Rem Scherzinger, General Manager, was a panelist to discuss mercury remediation, and the information was very well received. The District’s participation and leadership on mercury removal is exemplary. This was well received by the attendees. The questions were on point, and underscored the District’s efforts to address sedimentation in reservoirs and mercury contamination.

Director Weber stated that Tim Crough, Assistant General Manager (and the District’s mercury expert) was in attendance. She and Mr. Crough attended a session on cleaning up mercury in the Delta and the Yolo bypass. There is an interest now in mercury remediation, and the District is at the forefront of a solution to remove mercury from the sediment. This will allow for increased capacity in District reservoirs.

President Miller highlighted the fact that under the Consent Agenda, the Board finalized the purchase of the Mercury Removal Equipment.

CLOSED SESSION was declared at 10:43 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 10:43 a.m. pursuant to Government Code Section 54956.9(d)(4) to confer with District Counsel regarding anticipated litigation; one potential case.


CLOSED SESSION was declared at 10:43 a.m. pursuant to Government Code Section 54956.9(d)(1) to confer with District Counsel regarding existing litigation – O’Connor v. Nevada Irrigation District, Placer County Case No. RSC-0021069.

MEETING RECONVENED in regular session at 11:44 a.m.



April 22, 2015

MEETING ADJOURNED at 11:44 a.m. to reconvene in regular session on May 13, 2015, 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

  
Division II

  
Division III

Absent  
Division IV

Absent  
Division V