

NEVADA IRRIGATION DISTRICT

BOARD OF DIRECTORS

MINUTES

January 10, 2018

The Board of Directors of the Nevada Irrigation District convened in regular session at the District's main office located at 1036 W. Main Street, Grass Valley, on the 10th day of January 2018, at 9:00 a.m.

Present were William Morebeck, President (Division IV); John H. Drew, Vice President (Division II); Nancy Weber (Division I); and Nick Wilcox, (Division V), Directors. Director W. Scott Miller (Division III) was absent.

Staff members present included Remleh Scherzinger, General Manager; Greg Jones, Assistant General Manager; Marvin V. Davis, Finance Manager/Treasurer; Jana Kolakowski, Human Resources Manager; Keane Sommers, Hydroelectric Manager; Chip Close, Water Operations Manager; Gary King, Engineering Manager; Brian Powell, Maintenance Manager; Monica Reyes, Recreation Manager; Susan Lauer, Communication Specialist; JR Lewis, IT Analyst; Dustin Cooper, District Counsel; and Kris Stepanian, Board Secretary.

PUBLIC COMMENT – President Morebeck spoke about public comment

The Following members of the public addressed the Board:

- Ricki Heck, resident of Grass Valley, addressed the Board requesting that Warrants be removed from the Consent Agenda so public may ask questions
- Michael Hill-Weld, Division 1, addressed the Board regarding recent dam safety article in Sacramento Bee, valve replacement, violation and transparency
- George Olive, resident of Nevada City, addressed the Board regarding Director Wilcox's recent Centennial Reservoir op ed and public engagement
- Marin Lipowitz, resident of Grass Valley, recited a pledge to the Earth, and read from Wikipedia regarding Garden Bar Dam and Parker Dam site proposals
- Tracie Sheehan, Executive Director of the Foothills Water Network, addressed the Board regarding The California Water Commission Grant Proposal, the ecosystem and recreation benefits and cost share
- Mike Pasner, owner of Indian Springs Organic Farms in Penn Valley, addressed the Board regarding the Centennial Reservoir, herbicide use, the vegetation working group, and public comment time limits
- Sue Gillatti, member of the public, addressed the Board regarding the Centennial Reservoir, hydroelectric plants, and where the funds are coming from
- Jonathan Keene, resident of District 5, addressed the Board regarding putting the Centennial Reservoir on the agenda and regarding water conservation
- Richard Thomas, resident of Nevada City, addressed the Board regarding the location of the public comment clock
- Betsy Lombard, resident of Nevada City, addressed the Board regarding her radio show

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President Morebeck moved Item 2 from Consent Agenda to General Orders.

MINUTES – December 13, 2017 Regular Meeting

Director Drew made a motion to approve the minutes of the regular meeting on December 13, 2017, as submitted. Motion seconded by Director Weber.

Motion passed on the following roll call vote:

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

2018 INVESTMENT POLICY

Director Drew made a motion to adopt Resolution 2017-35 in accordance with Investment Policy 3035.18. Director Weber seconded the motion.

Motion passed on the following roll call vote:

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

EMPLOYEE RELATIONS – Service Awards

The following Employees were recognized for their length of service with the District and were congratulated by their Department Manager or Supervisor and presented with recognition awards:

<u>Employee</u>	<u>Title</u>	<u>Hire Date</u>
<u>20 Years</u>		
Shannon M. Wood	Business Services Tech II	08/18/1997
Brian P. Mesker	Equipment Operator	09/22/1997
Brian J. Powell	Maintenance Manager	11/24/1997
<u>15 Years</u>		
Fred J. Waymire II	Treated Water Superintendent	12/20/2002
<u>10 Years</u>		
Katherine M. Gunther	Management Assistant	09/24/2007
Dale S. Smith	Sr. Engineering Technician	10/09/2007
Todd L. Wiederhold	Hydro Electrical Machinist II	10/09/2007
Aurora C. Tipton	Customer Service Administrator	12/03/2007

RESCIND BENEFIT DONATION POLICY:

Jana Kolakowski, Human Resources Manager, presented the item.

Public Comment: None

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Director Drew made a motion to adopt Resolution 2018-01 (Rescind Administrative Policy, Benefit Donation). Director Weber seconded the motion.

Motion passed on the following roll call vote:

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

IMPLEMENTATION OF THE SCOTTS FLAT NORTH FORESTRY PROJECT:

Greg Jones, Assistant General Manager, presented the item, and Neysa King, Watershed Resources Planner joined him for questions.

Public Comment:

- Syd Brown, resident of Nevada City
- Joanne Drummond, Executive Director with the Fire Safe Council of Nevada County
- Richard Thomas, resident of Nevada City

Director Weber made a motion to award a contract to Frank Dial Logging in the amount of \$200,000, to implement forest practices on District-owned properties at Scotts Flat Reservoir, and to authorize the General Manager to execute the necessary documents, as recommended by the Maintenance and Resources Management Committee. Director Drew seconded the motion.

Motion passed on the following roll call vote:

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

WARRANTS

Marvin Davis, Finance Manager/Treasurer, presented the item.

Public Comment:

- Ricki Heck, Division 1
- Michael Hill-Weld, Division 1
- Richard Thomas, resident of Nevada City

Director Drew made a motion to approve warrants as submitted on check and payroll registers. Motion seconded by Director Weber.

Motion passed on the following roll call vote:

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

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GENERAL MANAGER'S REPORT

Remleh Scherzinger, General Manager, reported on the following items:

- Precipitation & Storage Report
- Conservation update/comparison
- Condemnation actions with PG&E regarding Bowman Canal 3 are resolved
- 2018 Conservation Plan
- Water Rate Committee & 2019 water rate adjustments
- Creation of financing program for ag customers as part of NRCS Grant Program
- 2017 Canopy and Pond Study complete regarding Lower Cascade Project EIR
- Loma Rica Reservoir 24" discharge pipe is complete and in service
- Shale Ridge Tank update
- Two DFWLE (District Financed Waterline Extension) projects will be added this month in Engineering Committee - Table Meadows Phase 2 & Loma Rica Drive
- Hemphill CEQA work anticipated to the Board in February
- Provided responses to some of questions presented at previous Board meeting:
 - o Provided more detail about Rollins Lake valves and valve replacement
 - o Replied to comparing maintenance funds spent on valve and funds spent on Centennial
 - o Responded to how funds are spent towards examining ground water storage systems
 - o Explained AECOM's current involvement in Centennial
 - o Provided current cost estimate for new Dog Bar Bridge (with engineering, O&M, and bringing current) of approximately \$6.5 to \$6.6 million
 - o Property owners who sold properties to District were not required to sign non-disclosure agreement
 - o Explanations pertaining to of delay of Environmental Impact Report
 - o Of properties purchased by District, 7 are in Placer County
 - o The NID Board of Directors has the authority to purchase property
 - o Replied to the question about recouping the cost of Centennial

BOARD MEMBER ITEMS/REPORTS:

Director Weber reported on the following items:

- Concerns about rate increases to ag customers

Director Drew reported on the following items:

- Upcoming cost of service study and rate study

Director Wilcox reported on the following items:

- Met with Eric Koch, Deputy Director at Department of Water Resources, along with Remleh Scherzinger, General Manager
- Provided copies of his recent op ed piece

President Morebeck reported on the following items:

- Requested that any questions from the public pertaining to General Manager's report be submitted in writing

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PUBLIC COMMENT ON ANY ITEM TO BE CONSIDERED IN CLOSED SESSION

- None

The Board adjourned into Closed Session at 10:50 a.m.

CLOSED SESSION was declared at 10:50 a.m. pursuant to Government Code Section 54956.9 to confer with District Counsel regarding pending litigation – Claim: Miller

Director Drew made a motion to reject the claim. Director Wilcox seconded the motion.

Motion passed on the following roll call vote:

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

CLOSED SESSION was declared at 10:50 a.m., pursuant to Government Code Section 54956.8 to confer with Real Property Negotiators Scherzinger, Sommers, and/or District Counsel 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

Direction was given to the District's real property negotiators.

MEETING RECONVENED in regular session at 11:18 a.m.

President Morebeck requested that Dustin Cooper, District Counsel report on actions taken during Closed Session.

MEETING ADJOURNED at 11:19 a.m. p.m. to reconvene in regular session on January 24, 2018, at 9:00 a.m. at the District's main office located at 1036 W. Main Street, Grass Valley, California.

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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