

NEVADA IRRIGATION DISTRICT
BOARD OF DIRECTORS / JOINT POWERS AUTHORITY

MINUTES

May 11, 2016

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 11th day of May 2016 at 9:00 a.m.

Present were Nancy Weber, President (Division I); John H. Drew (Division II), W. Scott Miller (Division III) and William Morebeck (Division IV), Directors.

Director Wilcox, Vice-President (Division V), was absent.

Staff members present included Rem Scherzinger, General Manager; Tim Crough, Assistant General Manager; Marvin V. Davis, Finance Manager/Treasurer; Chip Close, Operations Manager; Brian Powell, Maintenance Manager; Gary King, Engineering Manager; Keane Sommers, Hydroelectric Manager; Jana Kolakowski, Human Resources Manager; Jeff Meith, District Counsel; and Lisa Francis Tassone, Board Secretary.

PUBLIC COMMENT – Garabedian

Michael Garabedian, President of the Friends of the North Fork American River, stated that the Friends were incorporated in 2005 to protect the renewable natural resources and beauty of the North Fork of the American River. He suggested that the District hold meetings in Placer County, perhaps one in five meetings in Placer County. He noted that it took him over an hour to drive to this meeting.

MINUTES – April 27, 2016 Regular Meeting

Motion made by Director Drew to approve the minutes of the regular meeting on April 27, 2016, as submitted. Director Morebeck seconded the motion.

Motion passed on the following roll call vote:

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

WARRANTS

Director Drew made a motion to approve the following warrants: All Fund Nos. 73997 through 74201 and 900303 through 900339, inclusive; and Payroll Direct Deposit and Warrant Nos. 80309 through 80320 and V10066 through V10249, inclusive. Director Morebeck seconded the motion.

Motion passed on the following roll call vote:

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

OUTDATED ADMINISTRATIVE POLICIES (Res. No. 2016-16)

Director Drew made a motion to adopt Resolution No. 2016-16 (Rescinding Outdated Administrative Policies). Director Morebeck seconded the motion.

Motion passed on the following roll call vote:

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

WORKSHOP: GOVERNANCE FOUNDATIONS TRAINING

Rem Scherzinger, General Manager, requested that the Governance Foundations Training be rescheduled for June 22, 2016, as Director Wilcox is not present.

The Board concurred.

2016 URBAN WATER MANAGEMENT PLAN UPDATE – Public Hearing

Chip Close, Water Operations Manager, stated that Staff has been working diligently on updating the Plan in cooperation with Brown and Caldwell.

Mr. Close provided the following presentation on the District's 2016 Urban Water Management Plan Update:

Urban Water Management Planning Act:

- Urban Water Management Planning Act of 1983 (Water Code Section 10610 et. Seq.)
- Act requires purveyors serving 3,000 customers or 3,000 acre-feet of water annually to file report
- Act most recently amended in 2015

Urban Water Management Plan (UWMP) Requirements:

- Satisfy requirements of the UWMP Planning Act of 1983 (Water Code Section 10610 et. Seq.)
- Submit UWMP every five years to the California Department of Water Resources (DWR)
- Provide a 25 year comparison of water supplies and demands (to 2040)
- Supply planning for average, single dry, and multiple dry years

New Requirements for 2015 UWMP:

- Electronic online submittal and standardized tables
- Update gallons per capita per day (GPCD) target
 - 2020 target
 - Check compliance with 2015 interim target
- Reporting on water system loss
- Estimate future water savings due to codes and standards
- Low income household water use

Key elements of 2015 UWMP:

- UWMP preparation and coordination
- System description
- System water use
- System supplies
- Water supply reliability assessment
- Water shortage contingency planning
- Demand management measures
- Adoption and submittal

Water System Description:

- System service area that spans 287,000 acres and three counties
- Provides water for municipal, domestic, industrial and agricultural purposes
- Estimated 2015 service area population of 50,250
 - Excludes users on private wells
 - Estimated based on 2010 US Census estimates and water connection records
 - 2010 UWMP estimated population for 2015 = 50,422
- Seven service areas

SB X7-7 Analysis:

Analysis Year	Method to Calculate 2020 Target	2020 Target	2015 Interim Target
2015	1:80% of baseline use in 10-year baseline period (1995-2004)	197	222
2010	1:80% of baseline use in 10-year baseline period	203	229

Water Supplies:

Water Supply	2015	2020	2025	2030	2035	2040
Purchase from PG&E	16,003	8,000	8,000	8,000	8,000	8,000
Watershed Runoff	77,378	221,500	221,500	221,500	221,500	221,500
Carryover Storage	107,330	129,400	129,400	129,400	129,400	129,400
Recycled Water	1,956	1,900	1,900	1,900	1,900	1,900
Total	202,667	360,800	360,800	360,800	360,800	360,800

Projected Single Dry Year Water Supply Deficit:

	2020	2025	2030	2035	2040
Supply					
PG&E	16,003	16,003	16,003	16,003	16,003
Watershed Runoff	77,378	77,378	77,378	77,378	77,378
Carryover Storage	107,330	107,330	107,330	107,330	107,330
Recycled Water	1,900	1,900	1,900	1,900	1,900
Supply Total	202,611	202,611	202,611	202,611	202,611
Demand Total	184,704	193,106	198,199	205,391	211,930
Difference (supply minus demand)	17,901	9,505	4,412	-2,780	-9,319

Potential Climate Change Impacts:

- Increased air temperature
- Change in runoff frequency and timing
- Increased flooding potential
- Reduction in streamflow
- Decrease in water quality
- Adaptive management strategies

President Weber stated that there is a need to update the climate change chapter in the Cosumnes, American, Bear and Yuba (CABY) document.

Rem Scherzinger, General Manager, stated that the CABY document will be updated within the year. In addition, the Agricultural Water Management Plan (AWMP) and the Urban Water Management Plan (UWMP) will need to incorporate the changes when updated. Climate change is relevant to each of these documents.

Water Shortage Contingency Plan:

Stage	Percent Supply Reduction (numerical value as a percentage)	Water Supply Condition (narrative description)
Normal Operations	0	>235,700 acre-feet available supply, normal operation
Stage 1 Voluntary Usage Reduction	10 – 20%	235,700 to 205,700 acre-feet available supply
Stage 2 Mandatory Usage Reduction	10 – 25%	205,700 to 198,200 acre-feet available supply
Stage 3 Mandatory Usage Reduction	25 – 40%	198,200 to 175,700 acre-feet available supply
Stage 4 Mandatory Usage Reduction	>40%	<175,700 acre-feet available supply

Water Conservation:

- Demand Management Measures
 - Water waste prohibition
 - Metering
 - Conservation pricing
 - Public education and outreach
 - Water loss management
 - Water conservation program coordination and staffing
 - Other
 - Large landscape program
 - Customer account surveys
 - Agricultural water conservation

Public Outreach and UWMP Outreach:

- City and County notification
- Notifications also sent to libraries, LAFCO (Nevada, Placer and Yuba Counties), and Farm Bureaus (Nevada, Placer and Yuba Counties)
- Public Review
 - Public review period starting April 12, 2016
 - Public notices in The Union, Auburn Journal and Appeal Democrat
 - Public meeting held at the District's Water and Hydroelectric Operations (WHO) Committee on April 12, 2016
 - Public Hearing on May 11, 2016
- Adoption by governing body
- Submittal to DWR and State Library, cities and counties and public availability

President Weber opened the public hearing.

Michael Garabedian, President of the Friends of the North Fork American River, asked when the UWMP will be adopted.

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President Weber stated that the Board will consider adopting the Plan at the Board meeting of May 25, 2016.

Mr. Garabedian asked for an additional ten days to two weeks to submit comments.

Director Drew asked when the Plan was released for public review.

Mr. Scherzinger stated that the Plan was released on April 12, 2016.

Mr. Garabedian asked when the comments are due.

Mr. Scherzinger stated that comments can be received by the close of business today.

Mr. Garabedian expressed concern about preparing comments in a few hours of time.

Director Drew stated that Mr. Garabedian has had a month to prepare comments.

Mr. Garabedian asked if other comments have been received, and Mr. Scherzinger stated that no other comments have been received at this time.

President Weber asked if Mr. Garabedian is served water by the District.

Mr. Garabedian stated that he is not a District customer. The Friends work on protecting the North Fork of the American River watershed.

President Weber asked how he sees this document relating to his efforts.

Mr. Garabedian stated that this document relates to the proposed Centennial Reservoir Project.

President Weber suggested extending the comment period to Friday, May 13, 2016.

Mr. Scherzinger stated that it would depend on the comments and Staff's ability to incorporate the comments into the UWMP. The UWMP is required to be submitted to the State in June 2016. There is a limited time before the deadline.

Director Miller asked when the Raw Water Master Plan (RWMP) will be up for review.

Mr. Scherzinger explained that a Notice of Preparation for the Draft Environmental Impact Report for Section 8 of the RWMP is open for comment at this time and will close on June 8, 2016.

Director Miller suggested that Mr. Garabedian focus his comments on the RWMP.

Mr. Garabedian stated that he appreciates this suggestion.

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Mr. Scherzinger provided Mr. Garabedian with the mailer regarding the Notice of Preparation for the RWMP, and the associated scoping meetings.

President Weber closed the public hearing.

Meeting recessed at 9:42 a.m. and reconvened at 9:52 a.m.

CHICAGO PARK POWERHOUSE VOLTAGE REGULATOR PROJECT – Award of Contract

Adrian Schneider, Senior Engineer, stated that this Project consists of upgrading the voltage regulator. The voltage regulator ensures that there are no spikes and fluctuations in the voltage. Staff has received a quote from d’Huerle Systems, Inc. Mr. d’Huerle has completed several Projects for the District in the past and has done great work. There is a tight time constraint and a need to start the Project as soon as possible. The upgrade will provide reliability and the facility will be easier to maintain.

Director Drew pointed out two typographical errors, and Staff agreed to inform Mr. d’Huerle so that these items can be corrected.

President Weber asked how the amount for this Project relates to the \$800,000 budgetary impact.

Mr. Schneider explained that the \$800,000 budget is for several hydroelectric projects to be completed in 2016.

Rem Scherzinger, General Manager, asked what the age is of the voltage regulator.

Keane Sommers, Hydroelectric Manager, stated that the regulator is about 10 to 15 years old.

Director Miller made a motion to award contract to d’Huerle Systems, Inc. in the amount of \$167,430.76 for the Chicago Park Powerhouse Voltage Regulator Project, and authorize the General Manager to execute the necessary documents. Director Drew seconded the motion.

Motion passed on the following roll call vote:

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

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WATER STORAGE AND CONSERVATION – Update

Rem Scherzinger, General Manager, reported that the District has 250,000+ acre feet in storage and has between 50 and 60 percent of average snowpack.

IRRIGATION SEASON – 2016

Rem Scherzinger, General Manager, reported that the 2016 irrigation season is underway, and Staff has been doing an outstanding job.

NEVADA COUNTY BUILDERS FAIR

Rem Scherzinger, General Manager, distributed carpenter's pencils to the Directors and reported that the District will be participating in the Nevada County Builders Fair. The pencils will be provided as a give-away at the Fair.

GOVERNOR'S DROUGHT EMERGENCY REGULATION – Update

Rem Scherzinger, General Manager, reported that the Governor modified the Drought Emergency Regulation. He has returned a certain amount of local control. The Northern California water agencies are starting to respond to the proposed regulation.

RAW WATER MASTER PLAN (RWMP) – Notice of Preparation

Rem Scherzinger, General Manager, reported that the Notice of Preparation has been issued for the RWMP Phase II. Comments can be submitted by June 8, 2016. There will be two meetings: 1) NID Business Center on May 18, 2016 between 6:00 and 8:00 p.m. and 2) DeWitt Center on May 19, 2016 between 6:00 and 8:00 p.m.

E. GEORGE TO CASCADE SHORES TRANSMISSION MAIN PROJECT – Update

Rem Scherzinger, General Manager, reported that letters have been mailed to property owners to inform them that a job walk will be performed and that video will be taken of the walk.

NEWTOWN CANAL REALIGNMENT PROJECT – Update

Rem Scherzinger, General Manager, reported that bids have been received for the Newtown Project, and will be presented to the Engineering Committee prior to being presented to the Board for consideration.

BEAR RIVER PINES PIPELINE PROJECT – Update

Rem Scherzinger, General Manager, reported that the Bear River Pines Pipeline Project is now completed. The pavement will be restored later this summer.

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ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) – Spring Conference

Rem Scherzinger, General Manager, reported that he attended ACWA's Spring Conference. He announced that the Centennial Reservoir Project is included in the modeling with other proposed reservoirs.

Mr. Scherzinger stated that he also met with Tim Quinn, ACWA Executive Director, and Art Baggett, Chair of the Land Stewardship Council, to discuss the District's acquisition of Deer Creek and the conservation easement issues the District is facing with the Land Stewardship Council.

Director Miller stated that he also attended the Spring Conference. He attended a number of sessions including topics on the drought, application of technology, State Water Board hearings (which were delayed), water marketing, water tunnels, forest management, etc. He distributed a pamphlet to the Board titled 'Water Transfers and Access to Water Markets in California.' He also attended the California Association of Power Provider Agencies (CAPP) meeting and was involved in a meaningful discussion.

President Weber thanked Director Miller and Mr. Scherzinger for representing the District at ACWA.

START TIME OF BOARD MEETINGS – Comment

Director Miller stated that he cannot apologize for being late to today's Board meeting because he was not late. He documented that he was present at 8:59 a.m. He has time sensitivities, and has left his phone with Staff so that there are no telephone call interruptions during the Board meetings. He would appreciate some flexibility on the start time depending on the agenda.

COSUMNES, AMERICAN, BEAR AND YUBA (CABY) – Joint Powers Authority Meeting

Director Morebeck reported that he attended the CABY JPA meeting. The discussion was mainly around whether or not the non-profit would continue. There were some plans presented in case the non-profit were to dissolve. The representatives for the non-profit offered some alternatives which are under consideration. The next meeting will be held in June.

President Weber stated that the Non-Governmental Organizations (NGOs) are disputing the current government structure. She stated that she thinks the current structure is terribly cumbersome. However, she feels that the issues can be worked out in a favorable manner.

MOUNTAIN COUNTIES WATER RESOURCES ASSOCIATION (MCWRA) – Meeting

President Weber announced that the next MCWRA meeting will be held on May 18, 2016 at the Ridge Golf Course Clubhouse. The topic is 'The Conquest for the History of California Water – Past, Present and Future.'

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POWERPOINT PRESENTATION – Recreation Activities as a Result of the Centennial Reservoir Project

Director Drew provided a Powerpoint presentation on a variety of recreation activities that will be available to the public as a result of the Centennial Reservoir Project. He thanked Connie Smith, Office Assistant, for her help on the Powerpoint presentations he is and has been presenting.

MEETING ADJOURNED at 10:32 a.m. to reconvene in regular session on May 25, 2016, 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

Division IV

Division V
