

NEVADA IRRIGATION DISTRICT  
BOARD OF DIRECTORS / JOINT POWERS AUTHORITY

MINUTES

February 10, 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 10th day of February 2016 at 9:00 a.m.

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

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

PUBLIC COMMENT – Grundel

Kurt Grundel, Penn Valley Fire Protection District, thanked the Board of Directors for nominating him at the last Board meeting for the Special District Member position of Nevada County Local Agency Formation Commission (LAFCo).

MINUTES – January 27, 2016 Regular Meeting

**Approved the minutes of the regular meeting on January 27, 2016. M/S/C Drew/Wilcox, unanimously approved**

WARRANTS

**Approved the following warrants: All Fund Nos. 72611 through 72859 and 900217 through 900228, inclusive; and Payroll Direct Deposit and Warrant Nos. 80236 through 80247 and V8787 through V8965, inclusive. M/S/C Drew/Wilcox, unanimously approved**

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ANNUAL DISCLOSURE OF REIMBURSEMENT (Res. No. 2016-04)

**Adopted Resolution No. 2016-04 (Annual Disclosure of Reimbursement to Employees and Directors). M/S/C Drew/Wilcox, unanimously approved**

MONTHLY INVESTMENT TRANSACTION REPORT – January

**Received and filed Monthly Investment Transaction Report for January 2016. M/S/C Drew/Wilcox, unanimously approved**

QUARTERLY INVESTMENT REPORT – For Quarter Ending December 31, 2015

**Received and filed Quarterly Investment Report for quarter ending December 31, 2015, in accordance with the District's Investment Policy. M/S/C Drew/Wilcox, unanimously approved**

AGREEMENTS: Bowman Powerhouse Upgrade Project – Excitation System Upgrade

Tonia Tabucchi Herrera, Associate Engineer, is requesting an award of a consultant agreement to d'Huerle Systems, Inc. for the design, installation, programming, commissioning and procurement of parts and spare parts for the Excitation System Upgrade at the Bowman Powerhouse in the amount of \$134,150.19, and authorization for the General Manager to execute the necessary documents. This is the second year of upgrades being done at the Bowman Powerhouse. The Excitation Upgrade will improve reliability to the system. At this time, the system can only be operated in auto mode, and the desire is to add a manual mode. Normally, the operator would put the system in manual mode, adjust the current and then set the system into auto mode for operation. Part of the upgrade includes current modern equipment versus the analog equipment that is in place now. The existing equipment does not have the availability of spare parts, nor is there the plethora of expertise to be able to troubleshoot the equipment. This exciter is similar to the exciter in the Rollins Powerhouse. d'Heurle also did the upgrade to that system, so the spare parts would be interchangeable between both powerhouses. She noted that Staff used d'Heurle versus using the public bidding process because of d'Heurle's expertise. Not only did he perform the work at Rollins powerhouse, but he performed the work on the Bowman Governor upgrade.

Director Wilcox asked if the Project is nearly completed.

Ms. Herrera stated that there are a few items to complete this year, but the entire Project should be completed at the end of this year.

Director Wilcox commended Staff for the excellent work that has been done, and that the work was done so that the District can move seamlessly into the Power Purchase Agreement without a penalty.

Director Drew asked if there is any lingering question about the broom gate.

Ms. Herrera stated that she will meet with the Dam Engineer about the broom gate.

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**Awarded consulting services agreement to d’Heurle Systems, Inc. for the design, installation, programming, commissioning and procurement of parts and spare parts for the Bowman Powerhouse Excitation System Upgrade, in the amount of \$134,150.19, and authorized the General Manager to execute the necessary documents. M/S/C Drew/Wilcox, unanimously approved**

BUREAU OF LAND MANAGEMENT (BLM) – Land Acquisition

Rem Scherzinger, General Manager, stated that this matter has been continued from the September 9, 2015 Board of Directors’ meeting. The Board requested that Staff speak with BLM staff in Sacramento which occurred, and obtain a letter from BLM which has been provided with the agenda item indicating the course of action. The letter indicated that BLM could not advocate for or against, and that any decisions would only be made at the Secretary of Interior level. It is clear in the letter, that the District must initiate some process. It does not remove the District from the process, but the District needs to initiate that process. The options include:

- 1) Continuing to pursue the local BLM office
- 2) Pursuing the Federal BLM office
- 3) Moving forward with legislation

Mr. Scherzinger stated that he has spoken with staff at Congressman LaMalfa’s office as well as Congressman McClintock’s office. They are supportive of legislative activity that would initiate the process.

Mr. Scherzinger stated that also part of the discussion is whether or not the Federal Energy Regulatory Commission (FERC) has isolated these parcels as part of the process through the District’s relicensing activities and the Federal Power Act (FPA). There has been success with moving parcels out of a FPA designation and onto local licensees.

Mr. Scherzinger pointed out that in addition to five BLM parcels within the Centennial Project footprint area, there is one BLM parcel that resides between the two Deer Creek Powerhouse parcels which is of interest to Staff. Most recently, because of the Lowell Hill Fire and other management issues, there is the parcel that the Chicago Park Powerhouse sits on that would make sense for the District to pursue. The District could then manage this area and protect the facilities.

Director Wilcox asked if all of the parcels identified have been identified for retention or for potential disposal by BLM in their management plan.

Mr. Scherzinger stated that some parcels have been identified for retention; however, other parcels are unclear as to who the true owner is – either BLM ownership or Tahoe National Forest ownership. The remaining parcels are not recommended for retention in their plan. BLM would argue that those parcels have been removed as part of the FPA activities. The District would have to initiate the process for these parcels, and this process will take a very long period of time. Mr. Scherzinger stated that the legislative activity simply “kicks the process into gear” with BLM.

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Director Wilcox asked if it is more difficult to initiate the process absent the legislation.

Mr. Scherzinger responded affirmatively. BLM does not have the staff to move this process forward, so there was a suggestion that the District hire staff for BLM dedicated to this activity.

Director Drew stated that the District should move forward on multiple fronts, legislative activity included, in order to start the process. He cannot see any reason why BLM wants to hold onto these parcels.

President Weber asked Mr. Scherzinger to review the options.

Mr. Scherzinger provided the options:

- 1) Work with the local BLM office to start process by removing parcels from BLM's holdings and move forward to the Federal BLM office.
- 2) Develop legislation that will direct the Secretary of the Interior to transfer the BLM parcels to the District.

Director Wilcox stated that he sees no reason why both processes cannot take place simultaneously.

Mr. Scherzinger stated that he would like to have a good working relationship with the local BLM office because this is important to the District.

President Weber stated that the local residents feel that there is a lack of management and oversight by BLM at the Chicago Park Powerhouse. If the District takes over this parcel, there will need to be a budget established to manage this area.

Mr. Scherzinger stated that the District's operators have no authority to enforce this area because the District is not the owner of the property. Having ownership would be a big step for the District.

Director Wilcox stated that since the Chicago Park parcel has been identified for retention, there is a different process in acquiring this parcel. Because of this, all of the parcels in question will not be moving along the same track.

Director Drew asked if there is any rationale for BLM to retain the parcel for the Chicago Park Powerhouse.

Mr. Scherzinger stated that BLM's property lies underneath the District's FERC boundary and this allows BLM a certain amount of input as it relates to the District's FERC licensing. By removing this one parcel, BLM will continue to provide input because they have a significant number of parcels in the District's FERC boundary area.

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Traci Sheehan, Foothills Water Network, stated that the Foothills Water Network (FWN) is a coalition or network of groups that includes South Yuba River Citizens League, Friends of the River, etc. The reason why she is providing comment is because the FWN was involved with the District's Yuba-Bear Project relicensing process. The FWN is very concerned that the properties up for discussion are part of the relicensing. As part of that, negotiations took place for many years regarding habitat improvements. Now, the State Water Board has to issue a 401 certification. If these properties are sold before the FERC license is renewed, the negotiations that took place will be nullified. She is very concerned about this issue. She stated that she is also concerned about the precedent that will be set if the BLM properties are transferred out of the public's hands.

Director Drew stated that the District is a public agency.

Ms. Sheehan stated that there are differences and a representative from the BLM can explain the differences.

Don Rivenes, citizen of Grass Valley, stated that he is happy that the District received a letter from BLM. He read the letter, and the letter conforms to what he believes to be the process. He worked with the BLM a number of years ago, when they were trying to get rid of isolated parcels in Nevada County. The procedure is there to protect the public because these are public lands. He is concerned about the fact that the District is considering legislation as a possible alternative to go around the process. In the past, legislation was discussed without the public knowing about what was occurring. Many times, legislation is attached to bills that are required for other purposes. Therefore, the public does not have the opportunity to provide input on the public lands. BLM tries to remove isolated parcels so they can use the funds to purchase other lands in order to help the BLM's land management plan.

Director Drew asked Mr. Rivenes if he is suggesting that by going the legislative route that this will circumvent the BLM process.

Mr. Rivenes stated that it depends on how the legislation is brought forward and if the public has the opportunity to provide input. He believes that the legislative process does circumvent the BLM process.

Jim Eicher, Associate Field Manager, BLM Mother Lode Field Office, stated that he did not think he would be back to a Board meeting since these properties were last discussed at the Board meeting of September 9, 2015. He stated that "things keep changing." The BLM has not been notified of the expansion of the list of parcels, and no discussions have taken place. Notification is a responsible action on both parties, and the discussion needs to be vetted in a professional manner so that BLM can understand what the District's interests are in these BLM parcels. This has not occurred. He was made aware of this expansion two days ago. He has not been able to talk to upper management, and BLM has not been able to formulate any opinion on the District's recommendation. Personally, he does not find it to be complete and he does not find it to be explanatory as to why the District needs to expand the list of parcels. He sees this

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as another situation where there is a lack of communication between the BLM and the District. This is disturbing.

Director Drew stated that he could not disagree more with what Mr. Eicher is saying. The communication is being initiated today to discuss this matter and for the Board to consider authorizing the General Manager to move forward. Upon Board direction, BLM would be notified.

Director Miller pointed out that the agenda item is for the Board to develop guidance for Staff regarding the acquisition of BLM lands.

Director Drew stated that Mr. Eicher is accusing the District of something that is not valid.

Mr. Eicher stated that he is trying to understand the District's process. He reiterated that the BLM has had no time to review the matter in order to provide input. This is the first time BLM has seen the District's proposal.

Director Drew stated that this is the first time this matter has been placed on the Board of Directors' meeting agenda.

Mr. Eicher asked if the District expects to expand the list of parcels even further. In September, the Board was discussing four parcels that are associated with the District's proposed Centennial Project. Now there are additional parcels in the mix. He is trying to understand the District's intent. This is clearly a concern of BLM.

President Weber stated that this is not a contest between two agencies. Both agencies have to be able to work together. She asked if Mr. Eicher is able to work with the District.

Mr. Eicher stated that he is willing to work with the District in a fashion that there would be enough time to confer with other representatives of BLM, once the interests of the District are understood. Currently, he does not understand the District's interests.

President Weber asked if Mr. Eicher is willing to cooperate with the District.

Mr. Eicher stated that his office is willing to listen to what the District's needs are and to understand those needs and to recommend the appropriate process for the District to follow. He stated that the lands in the District's Yuba-Bear project boundary have been reserved by FERC under the Federal Power Act. Those lands under the BLM Resource Management Plan are not available for sale. FERC is the only agency that could change the status of these lands. BLM is following Federal law by not selling those lands that are currently withdrawn through the Federal Power Act. The other lands could be considered based on what the District's need is for those lands.

Director Wilcox referenced Ms. Sheehan's point regarding transfer of the BLM lands to the District and the nullification of the 4(e) conditions that were placed on some of the

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parcels through the FERC relicensing process. He is only speaking for himself, but he would not support nullifying the 4(e) conditions. Those have been negotiated and they should be honored for the parcels that have been agreed upon. He would not like to see the District try to circumvent the 4(e) conditions through this process.

Mr. Eicher stated that BLM has spent seven years or more during the District's relicensing process and issued the final filings. Now, the State Water Board needs to provide certification for FERC to issue a license order. BLM has agreed in principle to nearly every one of the conditions that affect these properties. There are some general conditions that have not been agreed upon, but quite frankly, these are minor. He understands that many of the 4(e) conditions would be nullified if the property is sold before FERC issues a license to the District.

Director Miller asked Mr. Eicher what his projection is for FERC to issue the District a license.

Mr. Eicher stated that he has no idea. He reminded the Board that BLM has to follow its Resource Management Plan, and BLM has to follow Federal law. If Congress decides to do something different and supports that acquisition, then this would override the BLM's Resource Management Plan, and would direct BLM to work with the District to transfer these lands.

Mr. Eicher noted that he is not sure if the Chicago Park parcel is reasonable for the District to pursue. He knows there have been problems in that area. He is not sure that changing ownership will help the District in any way. Law enforcement has been to this area quite often. On numerous occasions, BLM has addressed situations on BLM land and issues on non-BLM land. It is imperative to have law enforcement support from BLM, the County and the State to address the situations that arise in this area.

Director Drew stated to Mr. Eicher that the next time he attends a Board meeting that he should not start out by accusing the Board of trying to do something underhanded.

Mr. Eicher stated that learning about this agenda item two days ago, and having no one from the District notify his office is somewhat scary when the topic is so significant.

Director Drew asked Mr. Eicher if he could imagine that BLM would be notified once the Board gave the General Manager authorization to move forward with this process.

Mr. Eicher stated that he appreciates understanding the District's process much better.

Bob Center, citizen of Nevada County, stated that he wanted to speak to the reasoning behind buying the property that will be inundated by the proposed Centennial Project. He did not realize there were other parcels the Board would be considering for acquisition that have nothing to do with the proposed Project. He does not know if legislation will apply to the Chicago Park and Deer Creek parcels. His other concern is that it is his understanding that BLM would not require the District to purchase the land, but that it would be transferred to the District. Given that there is a proposed project

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that is clearly going to cost several hundreds of millions of dollars, and the estimates that he hears bandied about are \$300 million, with great authority, and \$600 million with great authority. His concern is that the range of expenditures adds up to real money. If it does not have to be spent, it should not be spent. He asked if the legislation would apply to all of the parcels the District is interested in, or only those parcels associated with the proposed Centennial Project.

Director Drew asked Mr. Center who the great authority is that he mentioned earlier.

Mr. Center stated that he does not know if there is a great authority. He does not believe he used those terms. He cannot identify the great authority. He added that he has not heard anyone speak of the financial impacts of the Centennial Project.

Mr. Scherzinger explained that the District is about to engage in the process to acquire BLM lands. It makes sense that if there are parcels that have been identified in addition to the BLM parcels in the proposed Centennial Project area that the District would take them as a block, as opposed to piece mealing the process. This agenda item is an opportunity for the Board to discuss the process and to direct Staff on how to pursue these parcels. Once he receives direction from the Board, he would meet with the appropriate parties to commence the process. It would have been premature to do so before the Board provided him with direction. With regard to 4(e) conditioning, FWN does not have any authority to remove, control or reset 4(e) authority because they are not a Federal entity. Until the point the license is issued to the District, 4(e) conditions can be modified. The District continues to work with the US Forest Service and BLM to solidify these conditions. He stated that when he has discussed the 4(e) conditions with FERC, that FERC states that the 4(e) conditions stand, even if the Chicago Park parcel was removed.

Director Wilcox stated that the 4(e) conditions with the District's current FERC license stands. He asked about the 4(e) conditions with regard to the new license.

Mr. Scherzinger stated that the 4(e) conditions with the District's current license are nearly non-existent. The 4(e) conditions for the new license stand.

Director Wilcox stated that the District then needs to honor these conditions.

President Weber asked Mr. Scherzinger to address the question by Mr. Center about which parcels will be included in the legislation.

Mr. Scherzinger stated that this would be up to the Board.

Director Morebeck stated that he remembers hearing that there is quite a bit of BLM property that will be inundated by the District's proposed Project.

Mr. Scherzinger responded affirmatively. He stated that there are a number of reservoirs throughout the United States that inundate BLM land. Part of the discussion about acquiring BLM land is whether or not this is the responsible action to take to make



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sure the lands are in the District's control. The undercurrent to the discussion is that should a FERC process extend over these lands, this provides the Federal Government an entry into the District's operations, which is going against the direction of the Board of Directors. It is prudent for the District, given the strategic objective by the Board, to become self-sufficient and determinant of the District's own course. Having other entities that own lands within a project area requires the District to interact with them to determine the course of District operations.

Director Wilcox proposed that Staff engage in dialogue with BLM and others on this issue and to pursue legislative and administrative processes simultaneously.

President Weber stated that the Chicago Park parcel may be a stumbling block. If this is the case, she would like to see this parcel removed from the process.

Director Drew stated that BLM owns a number of parcels around the Chicago Park parcel. It is also his understanding that the BLM owns property underneath or immediately adjacent to some of the District's facilities. He stated that the District does not want BLM to own land underneath a piece of the District's concrete.

President Weber asked if the Board is willing to risk moving more quickly on the Centennial Project by adding the Chicago Park parcel.

Director Drew stated that he would move forward with the Centennial Project parcels first and the other parcels subsequently.

Director Wilcox stated that it is his guess that as this process moves forward, the different parcels will sort themselves out on different tracks.

The Board unanimously agreed that Staff engage with BLM on parcels associated with the Proposed Centennial Project and the Deer Creek parcel, and to pursue the legislative and administrative processes for said parcels.

Lily Marie-Mora, District customer, stated that she is not sure where the Chicago Park property is located, but she would encourage the District to look at recreation opportunities at this site that can be staffed by the District. Otherwise, the District will be spending money in court.

Director Drew stated that providing recreation activities in this area would only jeopardize the safety of property owners and the public, in addition to the District's infrastructure.

## 2016 – 2018 STRATEGIC PLAN

Rem Scherzinger, General Manager, is asking the Board to adopt the District's Strategic Plan for years 2016 through 2018. This process started in 2013 when Staff and the Board reviewed past objectives. In 2014, the mission statement was modified, and in 2015, discussions regarding the Strategic Plan were held in each of the Committee meetings. Goals have been agreed to and action items have been established.

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Updating the Strategic Plan addresses an audit finding that indicated that the District's Strategic Plan was out of date.

Director Drew stated that he will provide several small edits to Mr. Scherzinger. Conceptually, he is fine with the Plan.

Director Miller stated that this agenda item caught him by surprise because he felt that the Board has been working on the Plan with the General Manager. So, he started to write Mr. Scherzinger a letter. He stated that the District has changed as well as society. The District is continuing to evolve as the District is a small player in a big world of energy and hydroelectric generation. The power of the strategic planning process enables the District to be agile while at the same time staying on target by having a philosophy and strategy. This does not lend itself to action items. He understands that the action items are the teeth of the process, but the agenda packet is incomplete and he is not quite sure his desired addition can be addressed by adding an action item. He would like to add a bullet item titled Succession Planning.

Director Miller pointed out that the strategic planning process did not start in 2013. It started under the direction of former General Manager Jim Chatigny. Director Miller claims a great deal of investment in the process. Director Miller stated that the strategic planning process was also addressed under General Manager Ron Nelson. Objectives were ranked and succession planning was part of the Plan. Now, the Board is meeting on a quarterly basis to discuss goals in relation to Mr. Scherzinger's performance evaluation. As the District has changed and under the fine direction of Mr. Scherzinger, Director Miller stated that he feels bad for Mr. Scherzinger because the District has the turnover and a sense of necessary retention. There is nothing wrong with this, but it makes the District stronger to have "outside people coming in." The District is a small entity and cannot retain employees because the District cannot compete with Pacific Gas & Electric Company. The District is a "lovely" opportunity for middle and upper management to come in. Succession planning is not just career tracks, but the financial planning, etc. He is not demeaning the employees at the District, but he also understands that not everyone wants to ascend. The District is not going to be able to increase wages to have employees stay with the District. He suggested embracing the fact that the District is a "lovely university" to be in a middle management position and to bless these employees when they move on to the bigger paying jobs. Succession planning was not part of the updated Strategic Plan. He added that he liked the workshop format that was done in the past for strategic planning.

Director Wilcox stated that he has no problem with the substance of the Plan. He agreed with the point made by Director Miller to add an action bullet for succession planning. He suggested that Mr. Scherzinger take the Plan back to management so that the Board can review the matter at a future meeting.

Mr. Scherzinger stated that he is happy to add the item at this time as the first action item under Strategic Plan Goal No. 1.

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Director Drew recommended that when this matter is brought back to the Board, that it be an agenda item so the Board would have time to add input accordingly.

Director Morebeck agreed with Director Miller's points.

President Weber stated that the only content item was with regard to Strategic Plan Goal No. 2 (local groups). This bullet should be expanded to include agricultural, watershed and resource groups and agencies. She is hung up on format for Goal Nos. 3 and 4. Generally, the goals are a statement, and Goal Nos. 3 and 4 need some wordsmithing. Some of the action items do not begin with a verb and need to. She is willing to work with Mr. Scherzinger on these items. She recommended that Mr. Scherzinger work with her to fine tune the Plan and present the Strategic Plan at a future Board meeting.

The Board concurred.

Lily Marie-Mora, District customer, asked if the draft of the Strategic Plan is on the District's website for review.

Mr. Scherzinger stated that the draft is not yet posted on the website.

Director Miller provided Ms. Mora with his copy of the draft Plan.

Ms. Mora asked if the Strategic Plan will be posted to the website when the Plan is adopted.

Mr. Scherzinger responded affirmatively.

Ms. Mora asked if the stakeholders were involved with the process.

Mr. Scherzinger responded affirmatively. Over the last two years, during Committee meetings, the public had an opportunity to provide input. He noted that the meetings were not heavily attended.

President Weber suggested that Ms. Mora submit a letter to the District providing input on the District's Strategic Plan.

#### CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) – Documentation

Gary King, Engineering Manager, stated that the purpose of this item is to discuss how Staff is communicating the large CEQA documents to the public and the Board of Directors. Staff is always looking for ways to contain costs, and this would be a good opportunity to do so.

Mr. King provided several options:

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1. Provide an electronic copy of the document in pdf format on a Compact Disk (CD). Please note: the State's CEQA clearing house only accepts CDs for review by regulatory agencies.
2. Provide a CD of documents with a paper copy of the executive summary. The typical executive summary is approximately 20 pages.
3. Continue providing hard paper copies of reports which is no change in current practice.

Mr. King stated that currently the District provides the regulatory agencies with pdf electronic files. Staff is recommending that the libraries also be provided CDs. If there is no computer access, Staff would need to reevaluate. CDs are also provided for the public at the District's Business Center.

Director Morebeck stated that he is in favor of CDs for himself and the libraries. He made the mistake of asking for a hard copy of the Regional Water Supply Project CEQA document. He added that printed copies are very expensive.

Mr. King explained that one printed copy of the Newtown CEQA document cost approximately \$400. The cost for the Regional Water Supply Project CEQA document was approximately \$1,500 to \$1,600 per document.

Director Miller agreed with Director Morebeck. He asked what the cost would be to print the executive summary.

Mr. King stated that typically, an executive summary is about 20 pages with foldouts. This document can be printed in-house (30 to 40 copies in one hour).

Director Miller would be in favor of providing CDs with a paper copy of the executive summary. He would also be in favor of providing CDs to himself and the libraries.

Director Drew stated that he is also in favor of CDs for himself and the libraries.

President Weber would like to see hard copies for herself and the libraries.

Director Wilcox stated that he would be in favor of CDs for himself and the libraries. He noted that the documents need to be indexed and searchable.

President Weber suggested contacting the libraries to see what they prefer.

Mr. King summarized by stating that he will provide each Board member with the media type preferred for CEQA documents. With regard to the libraries, a paper copy of the executive summary will be provided along with a CD for a period of six months. Staff will then evaluate if the libraries should receive CDs only.

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CENTENNIAL PROJECT – Notice of Preparation

Rem Scherzinger, General Manager, reported that the Notice of Preparation for the Centennial Project will be issued on February 16, 2016. Also, the Project's website is up and running.

Director Drew asked that a presentation of the Project's website be made at the next Board of Directors meeting.

Mr. Scherzinger concurred.

WATER STORAGE AND CONSERVATION – Update

Rem Scherzinger, General Manager, reported that the District has 186,579 acre feet in storage, which is 113 percent of average and 70 percent of capacity. Precipitation as of February 3, 2016 is 126 percent of average. The February 1, 2016 Snow Survey resulted in water content that is 122 percent of average. Notices will be sent to the District's agricultural customers asking how much water they will need.

GOVERNOR'S EXECUTIVE ORDER – Emergency Water Conservation Regulation

Rem Scherzinger, General Manager, reported that B-36-15 extends the treated water restrictions until October 31, 2016. Conservation requirements for the District (treated water) will be 33 percent vs. 36 percent that has been required in the past. This would place the District at a Stage 3 level of the District's Drought Contingency Plan.

SIERRA COLLEGE – Lecture Series

Director Wilcox reported that he provided a presentation to the Sierra College Science Lecture Series on February 9 regarding the District's Centennial Project. Rem Scherzinger, General Manager, was also in attendance.

Mr. Scherzinger stated that Director Wilcox provided a factual presentation that was succinct and to the point. Mr. Wollan, the other presenter, took some certain liberties with information and shared a great deal of fear mongering. Staff will need to work at informing the public what is correct and what is not correct in Mr. Wollan's message.

Director Wilcox stated that the Lecture Series was very well attended, partly because Sierra College students received credit for their attendance. It was a good forum and the questions were good. He would agree with Mr. Scherzinger's comments.

YUBA BEAR WATERSHED COUNCIL – Trap and Haul Salmon

President Weber announced that on February 11, 2016, the Yuba Bear Watershed Council will be hosting a meeting to discuss trapping and hauling of salmon. Caleb Dardick, South Yuba River Citizens League, and Steve Rothert, American Rivers, will be the presenters.

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SIERRA NEVADA CONSERVANCY – Watershed Improvement Program Summit

President Weber had requested that copies of the Sierra Nevada Conservancy's Watershed Improvement Program Summit be distributed to the Board of Directors. The subject will be forest carbon, and she will be attending this Summit.

CLOSED SESSION was declared at 10:55 a.m. pursuant to Government Code Section 54956.9 to confer with District Counsel regarding pending litigation – Claim of Sandra Tremayne.

CLOSED SESSION was declared at 10:55 a.m. pursuant to Government Code Section 54956.8 to confer with Real Property Negotiators Scherzinger and/or District Counsel regarding price and terms of payment; property subject to negotiation is Nevada County Assessor's Parcel No. 27-070-16.

CLOSED SESSION was declared at 10:55 a.m. pursuant to Government Code Section 54957.6 to provide direction to the District's designated bargaining representatives – Scherzinger and/or District Counsel – regarding 2016 salary/benefit/working conditions.

MEETING RECONVENED in regular session at 11:23 a.m.

CLAIMS & SUITS – Tremayne

**Rejected Leave to File Late Claim for claim of Sandra Tremayne. M/S/C Wilcox/Drew, unanimously approved**

MEETING ADJOURNED at 11:24 a.m. to reconvene in regular session on February 24, 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.

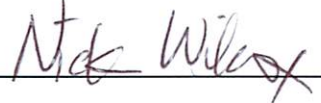
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Division I

  
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