

NEVADA IRRIGATION DISTRICT
BOARD OF DIRECTORS / JOINT POWERS AUTHORITY

MINUTES

January 27, 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 27th day of January 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; Karen Fassler, Human Resources Manager; Dustin Cooper, District Counsel; and Lisa Francis Tassone, Board Secretary.

PUBLIC COMMENT – Mora

Lily Marie-Mora, District customer, stated that she was not at the last Board of Directors' meeting, but she would like to speak to the issue of dissension with the Board during the last meeting. She encouraged the Board to handle a situation like that in closed session, using protocols for handling dissension on the Board. Each of the Directors has good standing as Board members. The minutes of this type of meeting should be made public so that the public is aware of what is going on with the Board. She wants everyone to be treated as a valued member. Using a mediator many times helps with this type of situation.

Director Miller pointed out that there are no minutes taken during closed session because the matters discussed are confidential.

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MINUTES – January 13, 2016 Regular Meeting

Approved the minutes of the regular meeting on January 13, 2016. M/S/C Drew/Wilcox, unanimously approved

WARRANTS

Approved the following warrants: All Fund Nos. 72423 through 72610 and 900200 through 900216, inclusive; All Fund Nos. 72277 and 900143 being void; and Payroll Direct Deposit and Warrant Nos. 80222 through 80235 and V8606 through V8786, inclusive. M/S/C Drew/Wilcox, unanimously approved

Director Drew complimented Marvin Davis, Finance Manager/Treasurer, on the new format for the warrants.

WESTERN ELECTRICITY COORDINATING COUNCIL (WECC) – 2015 Self-Certification Report Status

Received and filed Notice of Removal from Schedule for Western Electricity Coordinating Council Annual Self-Certification for 2015 Monitoring Period. M/S/C Drew/Wilcox, unanimously approved

POSITION LISTING AND COMPENSATION SCHEDULE – 2016

Adopted the updated District's Position Listing and Compensation Schedule for 2016, and authorized posting to the District's website. M/S/C Drew/Wilcox, unanimously approved

EASEMENT STANDARDS – Access Roads

Accepted new Standard Details for Standard Access Road Width. M/S/C Drew/Wilcox, unanimously approved

EMPLOYEE RELATIONS – Brady, Retirement Presentation (Res. 2016-01)

Chip Close, Operations Manager, recognized Brett Brady on his retirement after 31 years of service. Mr. Brady started working with the District as a temporary employee on the Service Crew. He was then hired in Water Distribution and worked diligently on his day to day tasks while hitting the books at night. As a result, he achieved his Distribution Certification and Treatment Certification. He then transferred into the Water Treatment Department where he continued to excel and study. He achieved a Grade 3 Distribution Certification and a Grade 4 Treatment Certification. He was eventually promoted to the Water Treatment Supervisor position.

Mr. Close has worked with Mr. Brady for many years. Mr. Brady did “a lot of things very well.” The two items that stand out to Mr. Close are Mr. Brady's priority for safety and emergency response. As a Supervisor, Mr. Brady's number one concern was always the safety of his employees. If there was a risk, he was not afraid to bring it to the attention of the District. Staff would analyze the situation and ensure that all safety

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protocols are followed. With regard to emergency response, the treatment plants never sleep and neither did Mr. Brady. Mr. Brady had a knack for keeping the treatment plants running and producing quality water at all times. Mr. Brady was faced with many challenges, but a few that come to mind are the 49'er Fire. The fire blew through the Lake Wildwood Treatment Plant many years ago, and melted the roof tiles, and drained the water system for the firefighting efforts. Through it all, Mr. Brady kept the Plant running. Another challenge was the floods of 1997. The Bear River was dammed up for some time. The water looked like chocolate all through the summer months. It was challenging to keep the plants running through that entire summer with peak demand. The North Auburn Fire was similar in that it went through the North Auburn Water Treatment Plant and the storage tank area. Mr. Brady was there to help assure that Plant continued to operate and meet the quality standards by the State. With Mr. Brady's efforts, the community's water supply has always been protected 24 hours a day, seven days a week. He thanked Mr. Brady for his efforts.

The Board applauded Mr. Brady's 31 years of service.

RESOLUTION OF NECESSITY – Chicago Park and Dutch Flat

Rem Scherzinger, General Manager, reported that the Chicago Park and Dutch Flat properties will be handled separately, so there will be two Resolutions of Necessity to commence eminent domain proceedings that the Board will consider in the near future.

E. GEORGE TO CASCADE SHORES PROJECT – Update

Rem Scherzinger, General Manager, reported that a letter was sent to the property owners in and around the Project area. The District has received four responses, all positive.

STATE WATER RESOURCES CONTROL BOARD (SWRCB) – Proposed Emergency Regulations

Rem Scherzinger, General Manager, reported that the SWRCB has prepared the emergency regulations for 2016. If the regulations are needed, they will be implemented in April.

WATER STORAGE AND CONSERVATION – Update

Rem Scherzinger, General Manager, reported that the District has 165,094 acre feet in storage, which is 101 percent of average and 62 percent of capacity. Precipitation as of January 21, 2016 is 115 percent of average.

He noted that Rollins Reservoir has been spilling for about one month, and that the District is losing that water to the system at this point. Combie Reservoir is full and both power units are running.

The State Climatologist reported that the State needs 150 percent of the normal snow pack to ease the drought for the State.

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Director Drew noted that he has never seen as much driftwood in Rollins Reservoir as he has seen this year.

SIPHON LANE PUMP STATION – Update

Rem Scherzinger, General Manager, reported that the District is going to receive three 500 horse power pumps for the Siphon Lane Pump Station. This Project was initiated a year ago when there were failures on the South Yuba Canal. This will provide the District the ability to move approximately 7 to 8 cfs from the Deer Creek side to the Bear River side.

CATTLE GRAZING PERMITS – US Forest Service

Rem Scherzinger, General Manager, reported that the US Forest Service has been issuing permits for cattle grazing on District property. The District is working with the Forest Service to exclude this from occurring on District property or to control the amount of impact on English Meadow and other locations. Mr. Scherzinger wants to ensure that the District is compensated appropriately.

COMBIE PHASE I PROJECT – Update

Rem Scherzinger, General Manager, reported that concrete cores will be drilled for the Combie Phase I Project. Additionally, Staff is in the process of preparing the final bond documents.

HUMAN RESOURCES MANAGER – Resignation

Rem Scherzinger, General Manager, announced that Karen Fassler has submitted her resignation and has accepted employment with Yuba County.

PENN VALLEY CHAMBER OF COMMERCE – Town Hall Meeting

Director Wilcox reported that he attended the Penn Valley Town Hall Meeting. He shared information about the improvement project that involves upgrading the fire hydrants in the Penn Valley area. Currently, the fire hydrants do not provide adequate fire flows.

SOUTH YUBA RIVER CITIZENS LEAGUE – Film Festival

Director Wilcox reported that he and the General Manager provided a brief presentation about the District's Centennial Project at the South Yuba River Citizens League Film Festival. Director Wilcox stated that he made a verbal faux pas when he stated that the Centennial Project "will be built." What he intended to state was that sooner or later, a water storage project will be constructed on a site that is appropriate, and if it is not constructed by the District, then it will be built by some other organization.

Director Morebeck stated that he also attended the presentation. He felt the presentation was factual and rational.

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Director Drew stated that he was also in attendance.

SIERRA COLLEGE – Lecture Series

Director Wilcox reported that he has been invited to provide a presentation to the Sierra College Science Lecture Series regarding the Centennial Reservoir Project. He will be presenting with Otis Wollan, former director of Placer County Water Agency. The presentation is scheduled for February 9 at 6:00 p.m. (Building N12).

ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) – California Water Action Plan Update

Director Morebeck attended the ACWA meeting to hear about the California Water Action Plan Update for 2016.

LINCOLN MUNICIPAL ADVISORY COUNCIL – Meeting

Director Morebeck reported that he attended the Lincoln Municipal Advisory Council meeting and shared information about the District's proposed Regional Water Supply Project. The Council will want to hear a more detailed presentation once the Draft Environmental Impact Report is completed.

TOWN HALL MEETING – Hosted by Assembly Member Dahle

President Weber reported that she attended the Town Hall Meeting hosted by Assembly Member Brian Dahle. The topics of discussion were parks, water and fire. She noted that Brian Dahle is a Republican and he brought with him two fellow Assembly Members who are Democrats. Assembly Member Dahle is a great example of a legislator who will work with either party in order to achieve resolution on matters.

She added that Rem Scherzinger, Elizabeth "Izzy" Martin and Dr. Carie Monahan also provided presentations that were succinct and well done.

LOCAL AGENCY FORMATION COMMISSION (LAFCo) – Request for Nominations for Special District Member (Res. No. 2016-03)

Director Wilcox stated that he added this item to the agenda so that the Board of Directors can consider whether or not they would nominate Kurt Grundel, President of the Penn Valley Fire Protection District, as a Special District Member to Nevada County LAFCo. Mr. Grundel is a long serving LAFCo member and is currently the LAFCo Vice-President and Chair of the Budget Committee. His term is up this May, and he asked as a favor, that the District's Board of Directors consider nominating him for another term. The reason he would like the District's Board of Directors to nominate him is that the Penn Valley Fire Protection District Board of Directors does not meet soon enough so that he can start campaigning for the seat. The alternative would be for Mr. Grundel to wait and have his own Board make the nomination, but he loses any advantage he thinks he might gain by having an earlier nomination. Director Wilcox stated that his personal feeling is that Mr. Grundel is a very good LAFCo member and that LAFCo will be well served to have him stay on the Commission.

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Director Drew stated that he does not see why the District should give Mr. Grundel a “leg up” because it is not the right thing to do. The playing field should be completely flat.

Director Wilcox stated that one rationale for nominating Mr. Grundel is that if the District affords Mr. Grundel this favor, the District may ask Mr. Grundel to return the favor by speaking with his fire district colleagues when it is Director Wilcox’s turn to be re-elected to LAFCo.

President Weber stated that she knows Mr. Grundel and that he has been on the Commission for long period of time. She ran for LAFCo unsuccessfully a couple of times. She does not like to see deals made. She likes the open playing field. The fire departments have controlled the LAFCo vote for so long. In spite of the fact that Mr. Grundel is a competent person, there are other competent individuals that do not represent fire departments.

Director Wilcox made a motion to adopt Resolution No. 2016-03 (Making Nomination to the Position of Special District Member of the Nevada County Local Agency Formation Commission – Kurt Grundel). Director Miller seconded the motion.

Motion passed on the following roll call vote:

Weber, Division I	No
Drew, Division II	No
Miller, Division III	Aye
Division IV	Aye
Wilcox, Division V	Aye

CLOSED SESSION was declared at 9:36 a.m. pursuant to Government Code Section 54956.8 to confer with Real Property Negotiators Scherzinger, Sommers, Sindt and/or Meith regarding price and terms of payment for acquisition and sale of rights in real property; properties subject to negotiations:

- South Yuba Canal, Chalk Bluff Canal, Deer Creek Powerhouse; flowage/wheeling rights in Drum Canal, Bear River Canal, Wise Canal, and South Canal (all owned by PG&E)
- Flowage Rights in Bowman-Spaulding Canal, Fall Creek Flume, Dutch Flat Flume, and Chicago Park Flume; right to storage in Rollins Reservoir (all owned by NID)

Persons with whom negotiations will be conducted: PG&E Management.

CLOSED SESSION was declared at 9:36 a.m. pursuant to Government Code Section 54957: Public Employee Performance Evaluation – General Manager.

MEETING RECONVENED in regular session at 11:00 a.m.

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MEETING ADJOURNED at 11:00 a.m. to reconvene in regular session on February 10, 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
