

NEVADA IRRIGATION DISTRICT

BOARD OF DIRECTORS

MINUTES

August 9, 2017

The Board of Directors of the Nevada Irrigation District convened in special session at the District's main office located at 1036 W. Main Street, Grass Valley, on the 9th day of August, 2017, at 1:00 p.m.

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

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

PUBLIC COMMENT

Dustin Cooper, District Counsel, expressed that public comment should refer to items that are within the District's jurisdiction.

The Following members of the public addressed the Board:

- Peter VanZant, NID customer, addressed the Board requesting that Item No. 4: Resolution 2017-24 (2017 Water Storage Investment Program) be removed from Consent Agenda for discussion
- Ralph Silverstein, resident of Grass Valley, addressed the Board regarding a system that detects leaks and unusual water patterns
- Marin Lipowitz, resident of Grass Valley, recited a pledge to the Earth, and addressed the Board regarding the Bear River
- Carmen Mateo, resident of Nevada City and Nevada County Green Party Council Member, addressed the Board regarding concerns about the Centennial Reservoir
- Karen Title, resident of North Auburn and NID customer, addressed the Board regarding concerns about the Centennial Reservoir
- Tracie Timponi, resident of Magnolia Road, addressed the Board regarding concerns about the Centennial Reservoir
- Otis Wollan, resident of Placer County, addressed the Board regarding the raising of Rollins Reservoir
- Ricki Heck, resident of Grass Valley, addressed the Board regarding transparency
- Bob Center, resident of Grass Valley, addressed the Board regarding transparency
- Connie Allward, resident of Meadow Vista and member of the Municipal Advisory Council of Meadow Vista, addressed the Board about the number and proximity between reservoirs in California

August 9, 2017

MINUTES – July 26, 2017 Regular Meeting

Approved the minutes of the regular meeting on July 26, 2017, as submitted. M/S/C Drew/Weber, unanimously approved

WARRANTS

Approved warrants as submitted on check and payroll registers. M/S/C Drew/Weber, unanimously approved

WATER SERVICE RULES AND REGULATIONS, SECTION 5.8 - MUTUAL WATER COMPANIES AND SPECIAL DISTRICTS

Approved an amendment to the District's Rules and Regulations regarding service to Mutual Water Companies and Special Districts as recommended by the Water and Hydroelectric Operations Committee. M/S/C Drew/Weber, unanimously approved

2017 WATER STORAGE INVESTMENT PROGRAM

This item was pulled for discussion from the Consent Agenda and presented by Remleh Scherzinger, General Manager.

Public Comment:

- Tracie Timponi, resident of Magnolia Road
- Peter VanZant, NID Customer
- Tracie Sheehan, Coordinator with the Foothills Water Network, who provided a letter to the Board
- Bob Center, resident of Grass Valley
- Bob Goar, resident of Grass Valley
- Dianna Suarez, resident of Colfax
- John Marlow, resident of Grass Valley
- Nicole Raglin, resident of Grass Valley
- Otis Wollan, resident of Placer County
- Bruce Herring, property owner and NID customer
- Pamela Osgood, resident of Grass Valley and NID customer
- Teresa Huck, resident of Grass Valley
- Kurt Lorenz, former Nevada County Planning Commissioner
- Syd Brown, resident of Nevada City
- Bob Branstrom, resident of Grass Valley
- Ricki Heck, resident of Nevada City
- Barbara Rivenes, resident of Grass Valley
- Mike Pasner, resident of Penn Valley & owner of Indian Springs Organic Farms
- Marin Lipowitz, resident of Grass Valley
- Sue Ghilotti, member of the public

Director Miller made a motion for the Board to direct the General Manager to not commit any water outside of the District as part the Proposition 1 grant application. Director Weber seconded the motion. Motion unanimously approved.

Adopted Resolution No. 2017-24 (2017 Water Storage Investment Program). M/S/C Miller/Drew, unanimously approved

August 9, 2017

Direction was given to Staff to not present any future items pertaining to the Centennial Reservoir on the Consent Agenda.

Meeting recessed at 2:55 p.m. and reconvened at 3:00 p.m.

Remleh Scherzinger, General Manager, requested that Item 6 be presented before Item 5, to satisfy time constraints for auditors who are making presentation.

Director Morebeck returned from recess at 3:05 p.m.

COMPREHENSIVE ANNUAL FINANCIAL REPORT – 2016

Marvin Davis, Treasurer/Finance Manager, introduced Ingrid Shepline and Bob Simons, CPAs with Richardson & Company, who provided a presentation of the District's 2016 Audited Comprehensive Annual Financial Report (CAFR).

Authorized the Finance Manager to publish and file the report. M/S/C Drew/Morebeck, unanimously approved

PARTICIPATION AGREEMENT BETWEEN THE WEST PLACER GROUNDWATER SUSTAINABILITY AGENCY (WPGSA) AND CALIFORNIA AMERICAN WATER

Chip Close, Water Operations Manager, presented the item.

Approved and authorized the General Manager to sign an agreement allowing participation by California American Water in the WPGSA, as recommended by the Water and Hydroelectric Operations Committee. M/S/C Drew/Miller, unanimously approved

2017 CHICAGO PARK CANAL LINER REPLACEMENT PROJECT (FATR# 2078)

Gary King, Engineering Manager presented the item.

Approved a contract with Hansen Brothers Enterprises in the amount of \$354,862, for the construction of the Chicago Park Canal Liner Replacement Project, and authorized the General Manager to execute the appropriate documents. M/S/C Drew/Miller, unanimously approved

POLICY #6690 - PRIVATELY OWNED CULVERTS

Gary King, Engineering Manager presented the item.

Adopted Resolution 2017-25 (Establishing Policy for Privately Owned Culverts), as recommended by the Engineering Committee on June 20, 2017. M/S/C Drew/Morebeck, unanimously approved

REVISIONS TO SECTION 14 OF THE DISTRICT RULES AND REGULATIONS

Gary King, Engineering Manager presented the item.

Public Comment:

- Mike Pasner, resident of Penn Valley & owner of Indian Springs Organic Farms

August 9, 2017

Approved revisions to Section 14, as recommended by the Administrative Practices Committee on March 7, 2017, and the Engineering Committee on June 20, 2017. M/S/C Drew/Weber, unanimously approved

GENERAL MANGER'S REPORT

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

- Precipitation and storage report
- Conservation Report
- Lodestar/Conestoga BEP (Backbone Extension Project) update
- Shale Ridge Pipeline update
- Hemphill Diversion Facility update
- Newtown Canal Meeting update
- Vegetation Management working group update

BOARD MEMBER ITEMS/REPORTS:

Director Weber reported/commented on the following items:

- Attended Newtown meeting
- Requests regarding:
 - Board meeting cancellation decisions to full Board
 - Summary of reserves, including balances & past three years of activity
 - ACWA Report to committee and then to full Board for discussion
 - Modified request previously made at WHO Committee Meeting regarding dams

Director Morebeck reported/commented on the following items:

- Hemphill Report
- Applauded Staff for efficiency and for considering the needs of the public

Director Miller, reported/commented on the following items:

- Nevada County Fair
- Supportive feedback from public in favor of Centennial Reservoir
- Placer County Farm Bureau meeting

Director Drew, reported/commented on the following items:

- Op ed piece in The Union regarding Bombardier airplane
- Bombardier capability to fight fires using Rollins and Centennial reservoirs

PUBLIC COMMENT ON ANY ITEM TO BE CONSIDERED IN CLOSED SESSION

- Mike Pasner, resident of Penn Valley & owner of Indian Springs Organic Farms, addressed the Board regarding the vegetation management working group, and the Closed Session item pertaining to the letter the District received from his legal counsel
- John Marlow, resident of Grass Valley, addressed the Board regarding the Closed Session item pertaining to the South Sutter Water District

Meeting recessed at 4:07 p.m. and reconvened at 4:11 p.m.

Director Drew left the meeting at 4:07 p.m.

August 9, 2017

CLOSED SESSION was declared at 4:11 p.m. for conference with legal counsel – anticipated litigation, significant exposure to litigation pursuant to paragraph (2) of subdivision (d), pursuant to Government Code section 54956.9 (one case). Written communication from counsel for Mike Pasner threatening litigation against Nevada Irrigation District

CLOSED SESSION was declared at 4:11 p.m., pursuant to Government Code Section 54956.9 to confer with District Counsel regarding pending litigation – Claim Rocker Road, Nevada County

CLOSED SESSION was declared at 4:11 p.m., pursuant to Government Code Section 54956.9. Nevada Irrigation District’s Petition for Assignment of Water Rights for Centennial Reservoir and the Protest by South Sutter Water District to that Petition pending before the State Water Resources Control Board

CLOSED SESSION was declared at 4:11 p.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

The meeting was reconvened into open session at 5:41 p.m.

The Board Secretary reported on actions taken in closed session, as follows:

President Wilcox made a motion to deny claim of Rocker Road, Nevada County, and directed staff to provide appropriate legal notification to the claiming party. Director Miller seconded the motion.

Motion passed on the following roll call vote:

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

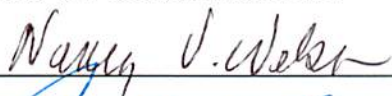


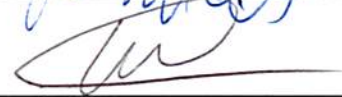
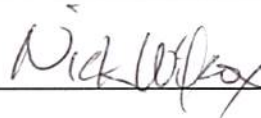
Direction was given to legal counsel concerning anticipated litigation - Written communication from counsel for Mike Pasner threatening litigation against Nevada Irrigation District.

August 9, 2017

MEETING ADJOURNED at 5:42 p.m., to reconvene in regular session on September 13, 2017, 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