AGENDA
REGULAR MEETING OF THE BOARD OF DIRECTORS
EL DORADO IRRIGATION DISTRICT
District Board Room, 2890 Mosquito Road, Placerville, California
June 22, 2015 ~ 9:00 A.M.

Board of Directors

BILL GEORGE
BOARD PRESIDENT
Division III

GEORGE W. OSBORNE
BOARD VICE PRESIDENT
Division I

Greg Prada
Board Director
Division II

Dale Coco, MD
Board Director
Division IV

Alan Day
Board Director
Division V

General Manager and Executive Staff

JIM ABERCROMBIE
GENERAL MANAGER

THOMAS D. CUMPSTON
GENERAL COUNSEL

Jennifer Sullivan, Clerk to the Board

Mary Lynn Carlton
Communications/Community Relations

Jose Perez, Human Resources

Tom McKinney, Operations

Brian Mueller, Engineering

Mark Price, Finance

Tim Ranstrom, Information Technology

In accordance with the Americans with Disabilities Act and California law, it is the policy of the El Dorado Irrigation District to offer its public programs, services and meetings in a manner that is readily accessible to everyone, including individuals with disabilities. If you are a person with a disability and require information or materials in an appropriate alternative format; or if you require any other accommodation for this meeting, please contact the EID ADA coordinator at 530-642-4045 or e-mail at adacoordinator@eid.org at least 72 hours prior to the meeting. Advance notification within this guideline will enable the District to make reasonable accommodations to ensure accessibility.

PUBLIC COMMENT**: Anyone wishing to comment about items not on the Agenda may do so during the public comment period. Those wishing to comment about items on the Agenda may do so when that item is heard and when the Board calls for public comment. **Public comments are limited to five minutes per person.

***PUBLIC RECORDS DISTRIBUTED LESS THAN 72 HOURS BEFORE A MEETING:** Any writing that is a public record and is distributed to all or a majority of the Board of Directors less than 72 hours before a meeting shall be available for immediate public inspection in the office of the Clerk to the Board at the address shown above. Public records distributed during the meeting shall be made available at the meeting.*

CALL TO ORDER

Roll Call
Pledge of Allegiance
Moment of Silence

ADOPT AGENDA

COMMUNICATIONS

General Manager's Employee Recognition

APPROVE CONSENT CALENDAR

Action on items pulled from the Consent Calendar

PUBLIC COMMENT

COMMUNICATIONS

Board of Directors

Brief reports on community activities, meetings, conferences, and seminars attended by the Directors of interest to the District and the public.

Clerk to the Board
General Manager

CONSENT CALENDAR

1. **Finance (Pasquarello)**
   Ratification of EID General Warrant Registers for the periods ending June 2, and June 9, 2015, and Employee Expense Reimbursements for these periods.

   Option 1: Ratify the EID General Warrant Registers as submitted to comply with Section 24600 of the Water Code of the State of California. Receive and file Employee Expense Reimbursements.
   Option 2: Take other action as directed by the Board.
   Option 3: Take no action.

   Recommended Action: Option 1.

2. **Clerk to the Board (Sullivan)**
   Approval of the minutes of the June 8, 2015, regular meeting of the Board of Directors.

   Option 1: Approve as submitted.
   Option 2: Take other action as directed by the Board.
   Option 3: Take no action.

   Recommended Action: Option 1.

3. **Office of the General Counsel (Cumpston)**
   Ratification of Resolution No. 2015-010, to maintain emergency declaration, and ratification of Stage 4 Drought Emergency for Outingdale.

   Option 1: Ratify Resolution No. 2015–010 *(thus maintaining the general drought emergency declaration for purposes of bidding, contracting, and CEQA compliance),* and ratify the Stage 4 Drought Emergency for Outingdale.
   Option 2: Decline to ratify Resolution No. 2015–010 *(thus terminating the general drought emergency declaration for purposes of bidding, contracting and CEQA compliance),* but ratify the Stage 4 Drought Emergency for Outingdale.
   Option 3: Take no action *(thus terminating the general drought emergency declaration for purposes of bidding, contracting and CEQA compliance).*

   Recommended Action: Option 1 (four-fifths vote required for purposes of bidding and contracting).

4. **Office of the General Counsel (P. Johnson)**
   Consideration of a resolution to authorize execution of an easement quitclaim to Michael Pecherer for an abandoned easement (APN: 043-030-04).

   Option 1: Adopt a Resolution approving and authorizing execution of the Easement Quitclaim as submitted.
   Option 2: Take other action as directed by the Board.
   Option 3: Take no action.

   Recommended Action: Option 1.

END OF CONSENT CALENDAR

DIRECTOR ITEMS

5. **Board of Directors (Day)**
   Whether to reconsider action previously taken on the pond-filling prohibition within the Drought Action Plan.

   Option 1: Agendize an item for a future meeting to reconsider action previously taken on the pond-filling prohibition within the Drought Action Plan.
   Option 2: Take other action as directed by the Board.
   Option 3: Take no action.

   Recommended Action: Board preference.

6. **Board of Directors (George)**
   Consideration to adopt a resolution in support of the nomination of Director Bill George to serve as vice president on the Association of California Water Agencies (ACWA) Board of Directors.

   Option 1: Concur with the Board President's request and adopt a resolution in support of the nomination of Director Bill George to serve as Vice President on the Association of California Water Agencies (ACWA) Board of Directors.
   Option 2: Take other action as directed by the Board.
   Option 3: Take no action.

   Recommended Action: Option 1.

ACTION ITEMS

7. Engineering (Eden-Bishop)
Consideration of a professional services agreement with Domenichelli and Associates in the not-to-exceed amount of $160,291 for the Upper Main Ditch Piping Project and authorize total funding of $259,543; Project No. 11032.

Option 1: Award a professional services contract to Domenichelli and Associates in the not-to-exceed amount of $160,291 and authorize total funding of $259,543 for the Main Ditch Improvements, Project No. 11032.
Option 2: Take other action as directed by the Board.
Option 3: Take no action.

Recommended Action: Option 1.

8 Engineering (Eymann)
Update on the Forebay Dam Modification Project and request for authorization of $421,416 in additional funding for design and environmental work.

Option 1: Authorize $421,416 in additional funding for design and environmental work for the Forebay Dam Modification Project.
Option 2: Take other action as directed by the Board.
Option 3: Take no action.

Recommended Action: Option 1.

9. Office of the General Counsel (Cumpston)
Consideration of a Purchase and Sale Agreement and Joint Escrow Instructions for the sale of the Blakeley Reservoir real property to Walker Land Company.

Option 1: Approve a Purchase and Sale Agreement and Joint Escrow Instructions to sell the Blakeley Reservoir surplus property to Walker Land Company; authorize the General Manager to execute the agreement and take all other necessary actions, upon approval as to form by General Counsel, to effectuate the property sale.
Option 2: Take other action as directed by the Board.
Option 3: Take no action *(staff will resume its pursuit of dam repair and rediversion of the water rights at Folsom Reservoir).*

Recommended Action: Option 1.

CLOSED SESSION

A. Closed session pursuant to Government Code section 54956.9(d)(2), (e)(3) (Poulsen)
Conference with Senior Deputy General Counsel – Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2), (e)(3); one potential case (termination of Excavating Engineers on Camp 2 Bridge Replacement Project); one Government Code claim (claim of Excavating Engineers on Camp 2 Bridge Replacement Project).

B. Closed session pursuant to Government Code section 54957 (Cumpston/Abercrombie)
Public Employee Employment/Performance Evaluation pursuant to Government Code Section 54957(b)(1). Position Title: General Manager, General Counsel

REVIEW OF ASSIGNMENTS

ADJOURNMENT

TENTATIVELY SCHEDULED ITEMS FOR FUTURE MEETINGS

Engineering

- Consideration to award a lumber purchase contract for the Flume 45 and 46 Relining Projects, Action Item, regular Board meeting, July 13 (Noel)
- Esmeralda Tunnel Update, Information Item, regular Board meeting, August (Noel)
- Consideration to award a construction contract for Powerhouse Upgrades and the FERC C59 SFAR North Structures Projects, Action Item, regular Board meeting, August (Noel)
- Consideration to award a construction contract for the Mormon Island and Lake Ridge Oaks Lift Stations Removal Project, Action Item, regular Board meeting, August (T. Sullivan)
- Consideration to award a professional services contract for the Penstock Condition Assessment, Action Item, regular Board meeting, August 10 (Eymann)

Finance

- June 30, 2015 Financial Update, Information Item, regular Board meeting, July 13 (Price)

El Dorado Irrigation District
June 22, 2015
Board Meeting
Communications - General Manager

1) **Awards and Recognitions**
   a) The District received an email from Matt and Pat Buckley in appreciation of **Ryan Rodriguez, Jeff Vierra**, and **Enrique Robles.** They wrote "They were very professional and kept us apprised daily. We appreciated the job being done in a timely manner with little or no inconvenience to us."

   b) The District received a letter from the El Dorado County Fire Safe Council in recognition and appreciation of the District's fire hydrant maintenance program. – Letter attached

2) **Staff Reports and Updates**
   a) Drought Update and Conservation Progress – Summary by Brian Mueller

El Dorado County Fire Safe Council

P.O. Box 1011
Diamond Springs, CA 95619
Phone: (530) 647-1700
Website: edcfiresafe.org **Email: board@edcfiresafe.org**

"Public and Private Partners Working Together to Protect People, Homes, and Natural Resources"

June 10, 2015

.El Dorado Irrigation District
Jim Abercrombie, General Manager
2890 Mosquito Road
Placerville, CA 95667

Mr. Abercrombie,

The El Dorado County Fire Safe Council recognizes and appreciates the attention and effort that EID is currently applying to fire hydrant maintenance in the Logtown area. Availability of a dependable water supply is key in fire suppression operations and hydrants are a key resource.

The residents of Logtown have noticed the shiny red hydrants and there have been many positive comments. The hydrant maintenance has not always been as excellent as it is currently. In 2008 the residents noticed many hydrants that were damaged or missing parts. After receiving permission from EID and training from Diamond Springs Fire, a crew of local volunteers inspected, tested, serviced and painted over 100 hydrants in the Logtown area. The areas surrounding the hydrants were cleared of weeds and sprayed with herbicide. Hydrants needing repair were identified and a report was provided to EID. Your crews promptly made the repairs.

We understand new regulations make the volunteer effort impractical and we appreciate your emphasis on hydrant maintenance. Our residents will continue to do their part in keeping hydrant areas clear of brush and weeds. We anticipate you will expand this program to all communities in your service area. Working together we can help keep the community safe.

Thank you for your support of the El Dorado County Fire Safe Council. We look forward to continuing to work with you in the future to accomplish our common goals.

Roger Dwyer
Chairperson
El Dorado County Fire Safe Council

Summary by Brian Mueller

General Manager's Report
June 22, 2015

Drought Update and Conservation Progress

Stage 2 Drought Update

The District continues to track customer conservation both on a weekly basis and cumulative conservation for the year, and compares the usage to 2013. The District is mandated to reduce water usage by 28% beginning in June as a result of the Governor's executive order and State Water Board regulations.

As of June 10, 2015 cumulative conservation for water customers was 28%. Conservation for the week of June 4-June 10 was 46%.

For recycled water customers, cumulative conservation was 27%. Conservation for the week of June 4-June 10 was 35%.

	2015 vs 2013* Weekly Conservation %	2015 vs 2013* YTD Conservation %
Potable Conservation	46%	28%
Recycled Conservation	35%	27%
**2013 baseline per State Water Board mandate*		

Outingdale – Stage 4

The State Water Board issued a curtailment notice for all post-1914 water rights in the San Joaquin River Basin on April 23. As a result, Outingdale is under a Stage 4 Water Emergency and the District began hauling water to the community on April 29.

Attachments

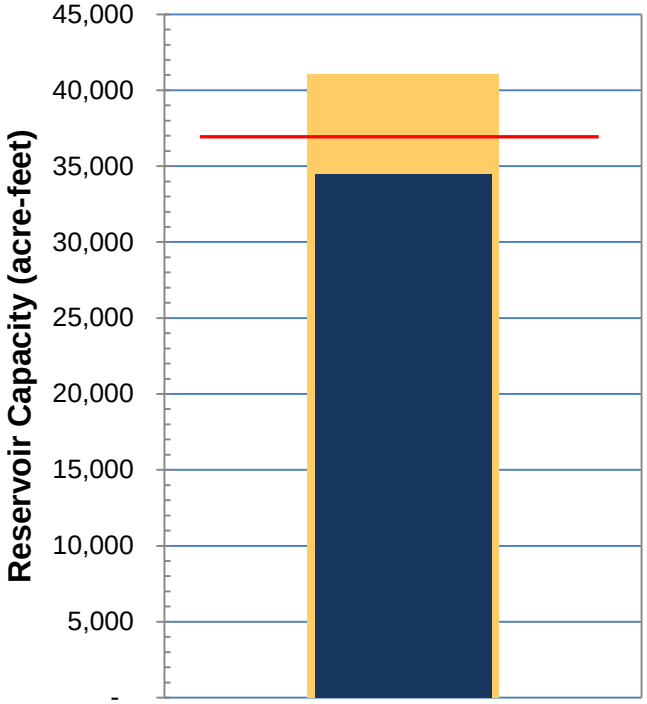
A. Drought and conservation charts

Attachment A

Jenkinson Lake at Sly Park

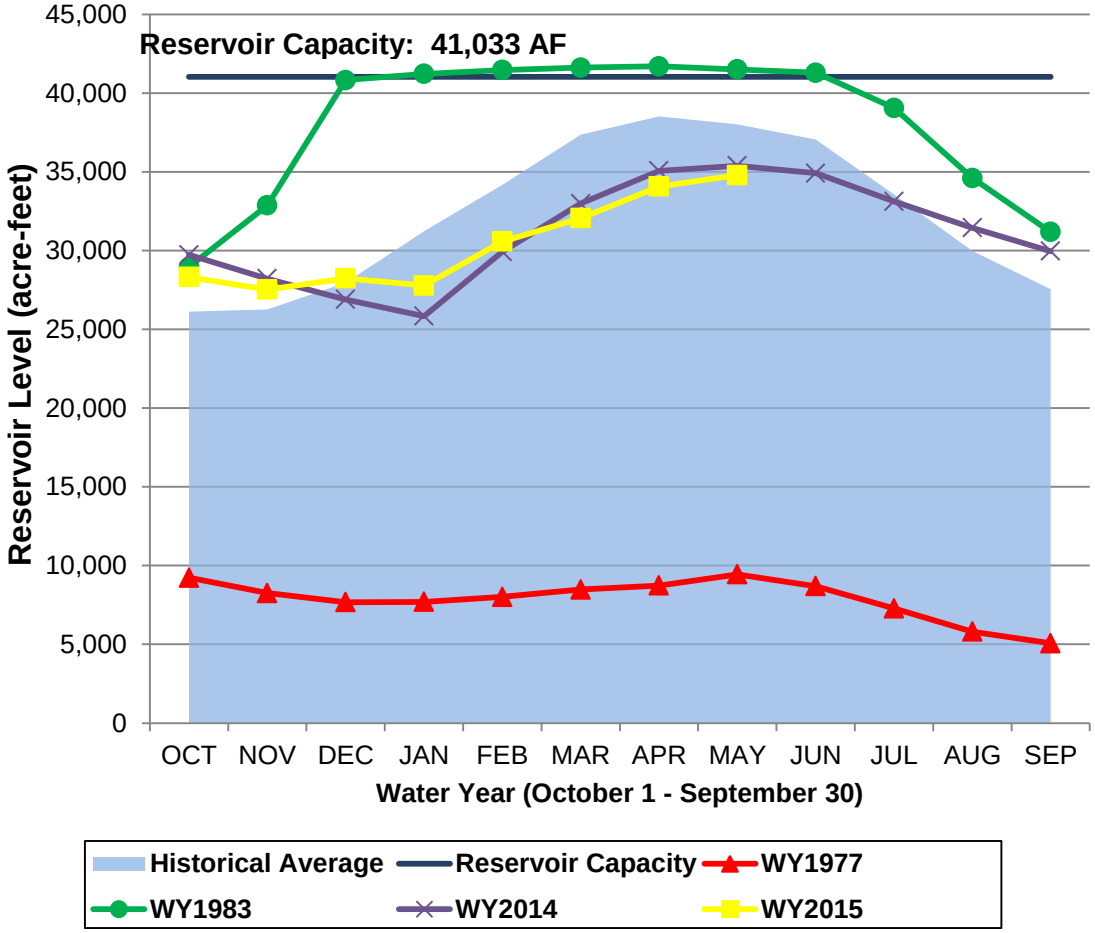
Reservoir Conditions

(as of June 10, 2015)



Current Level: 34,498 AF

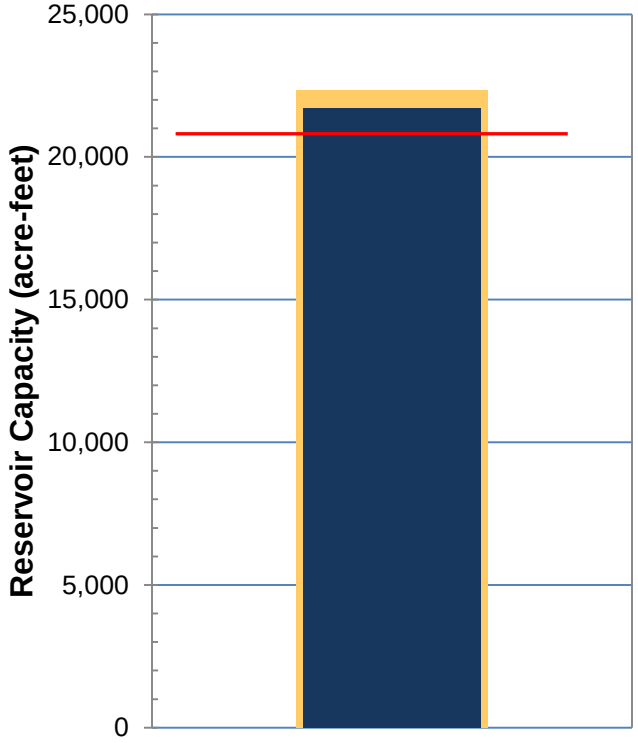
84%	90%
Current Capacity	End of Month
as of: 6/10/2015	Historical Average



Caples Lake

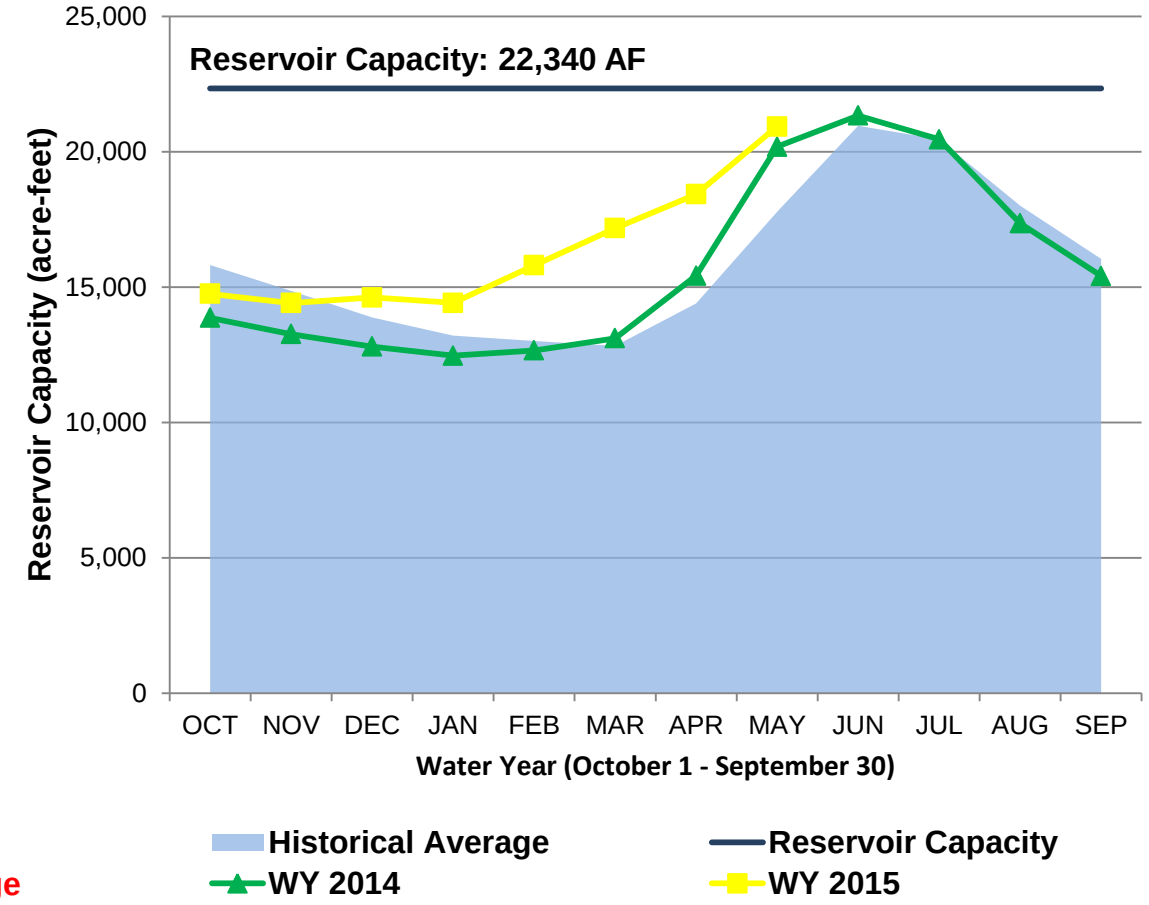
Reservoir Conditions

(as of June 10, 2015)



Current Level: 21,229 AF

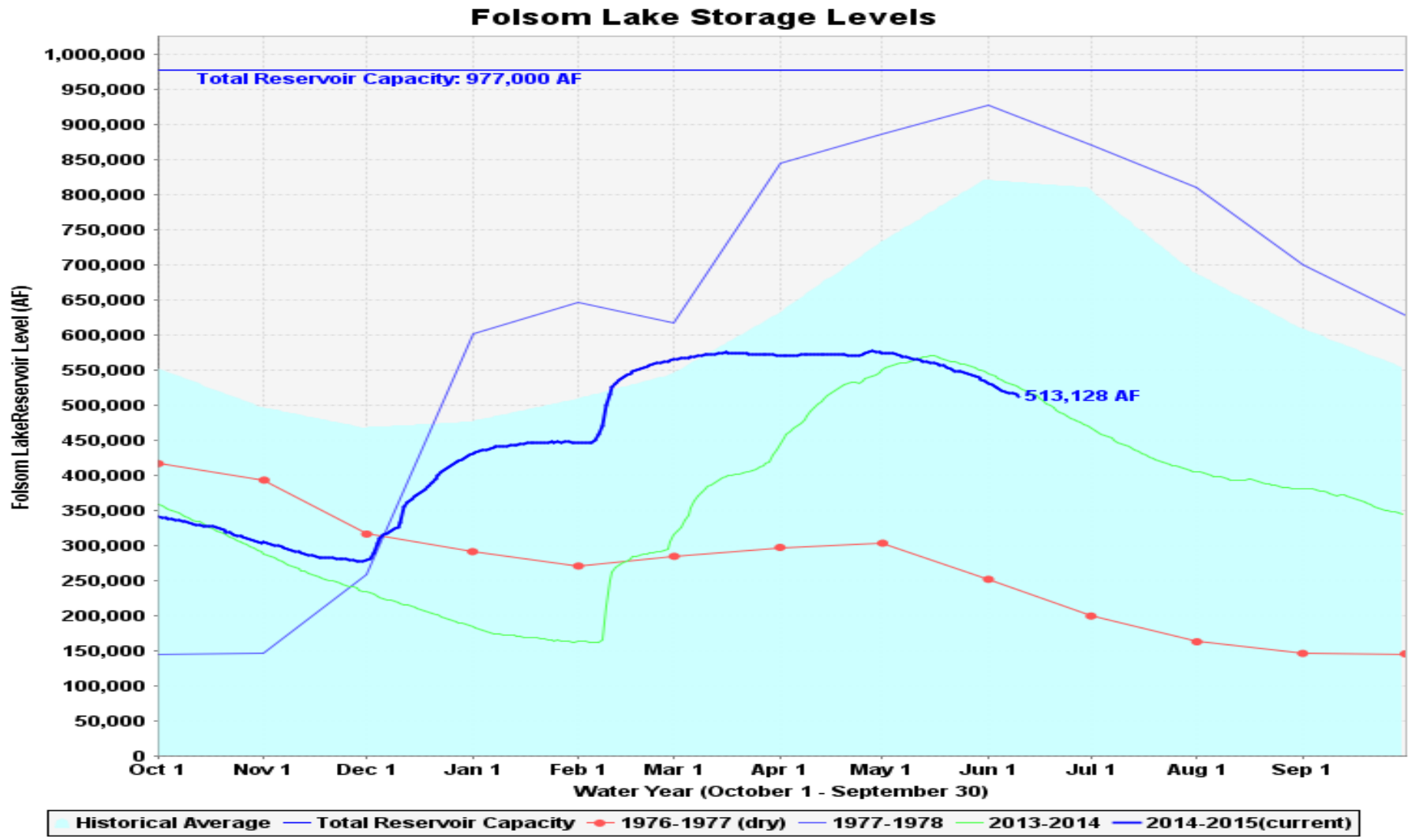
97%	94%
Current Capacity as of: 6/11/2015	End of Month Historical Average



Folsom Lake

Storage Levels

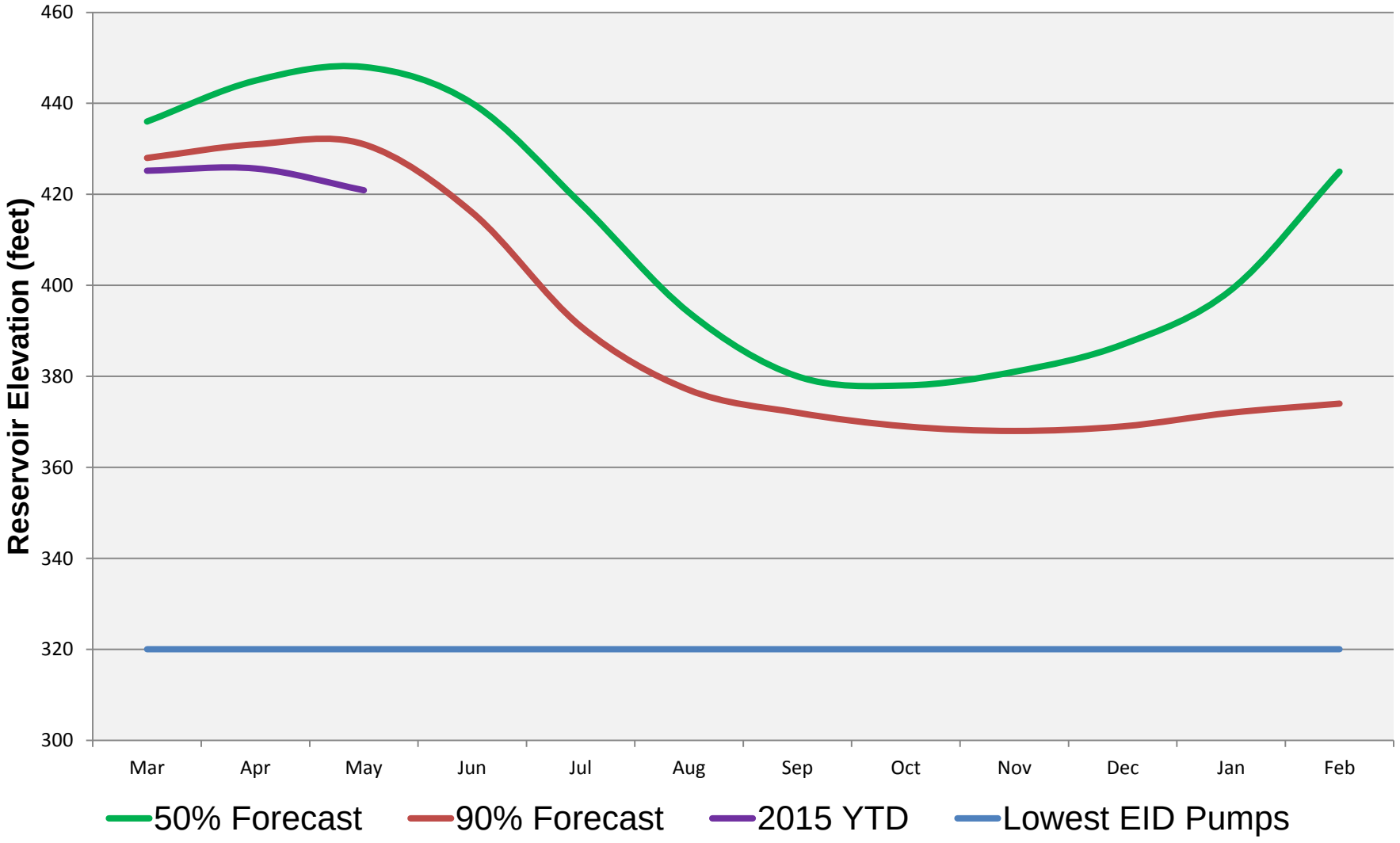
(as of June 10, 2015)



Folsom Lake

Elevation Level Projections vs Actuals

(as of May 31, 2015)

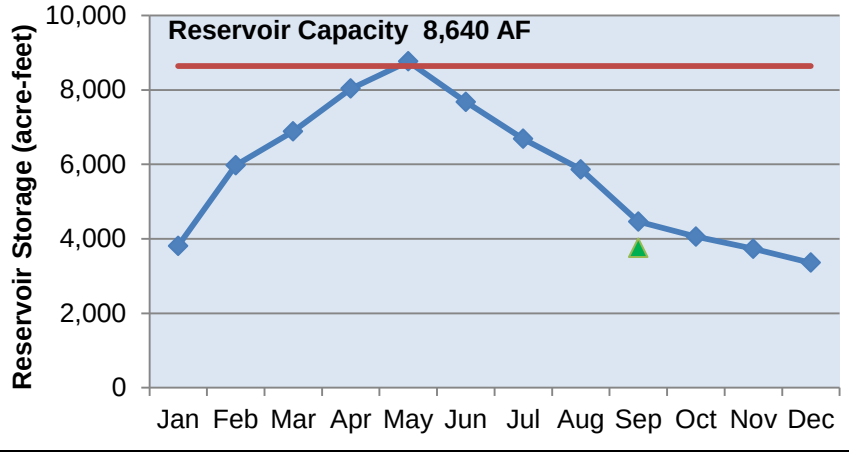


Project 184 Forecast Operations

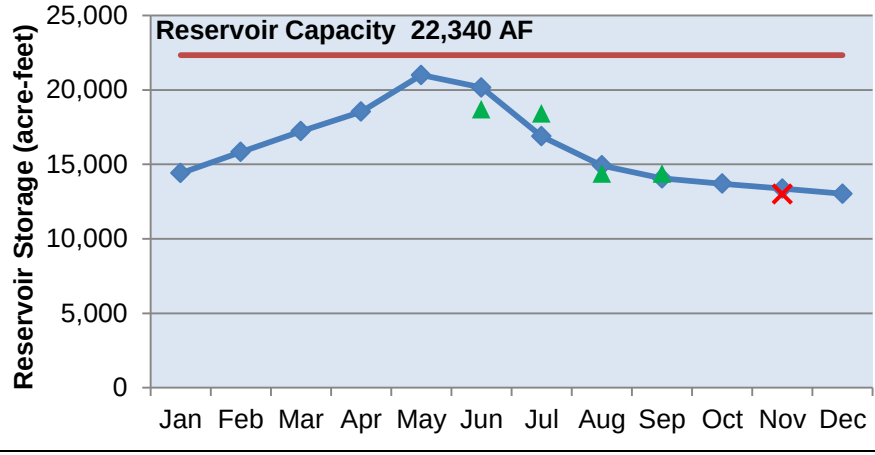
End of Month Storage (AF)

June 1 Forecast Data

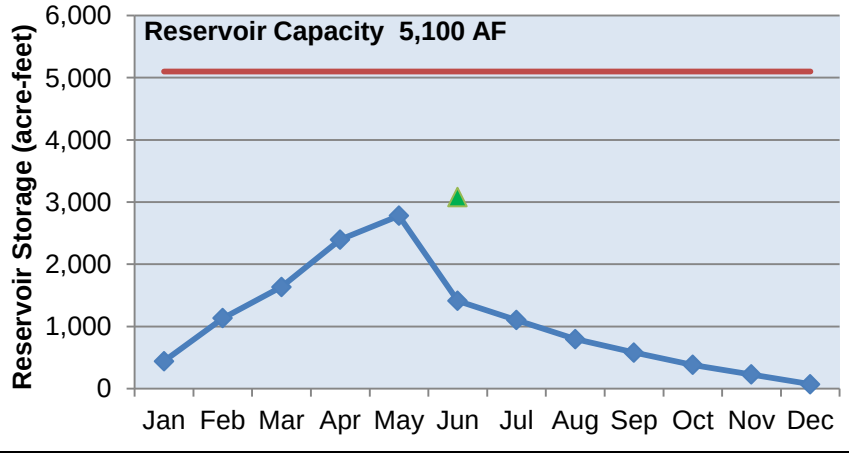
Silver Lake



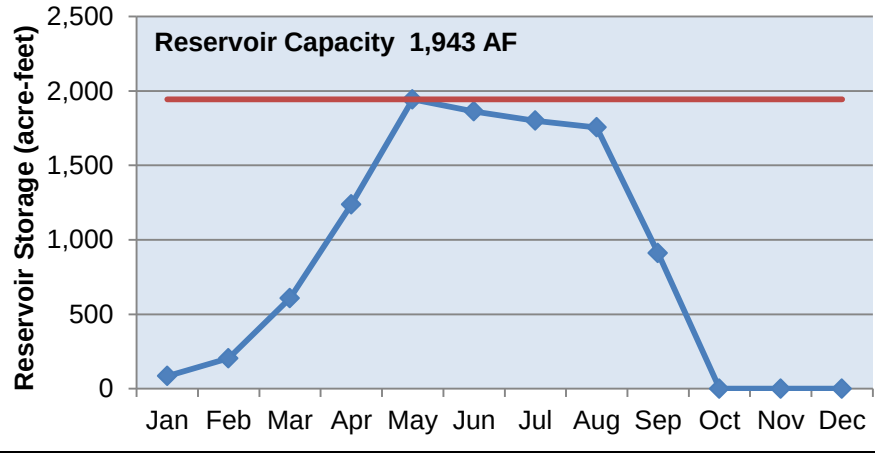
Caples Lake



Lake Aloha



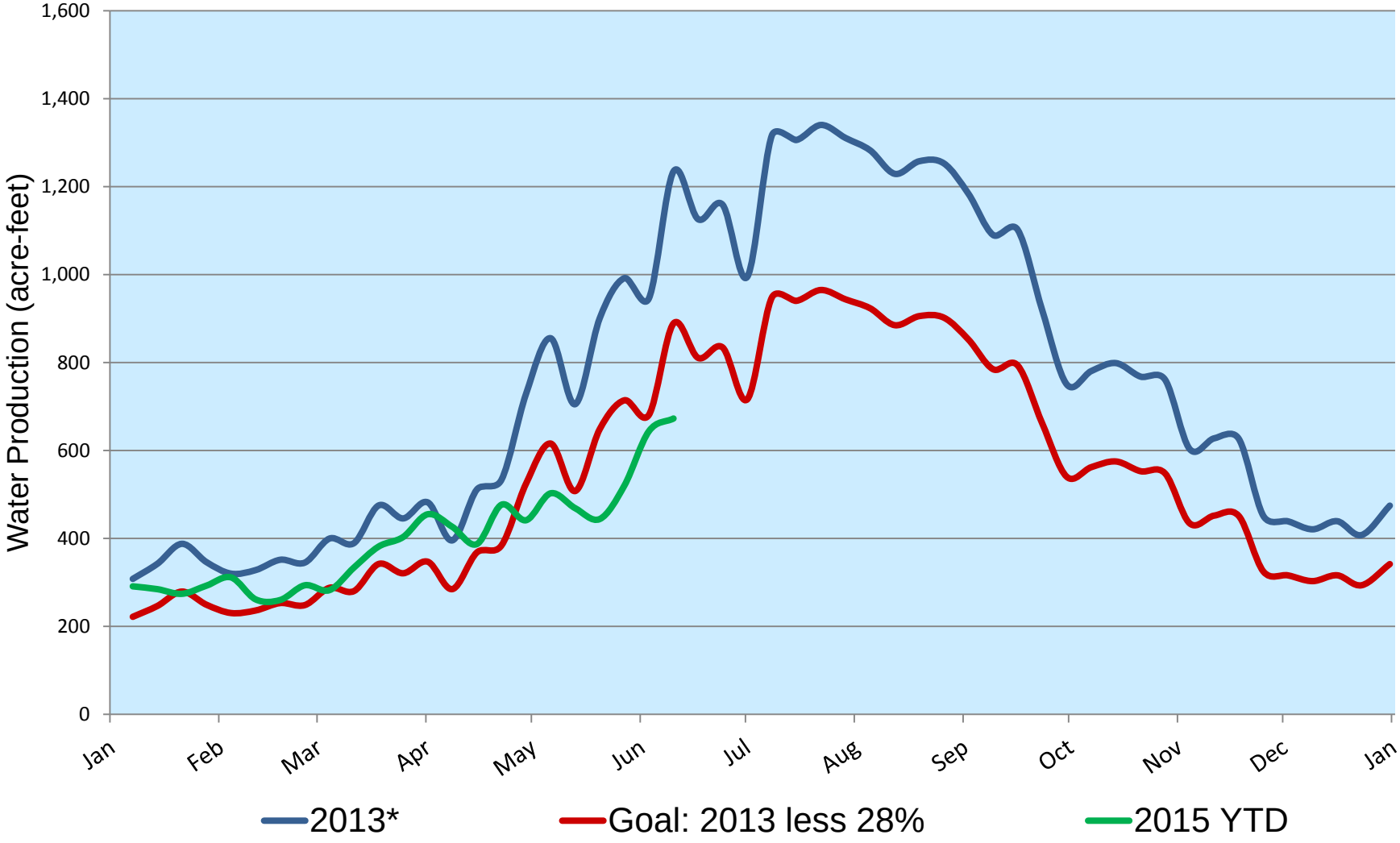
Echo Lake



Potable Water Conservation Progress

Weekly Comparison - 2015 vs. 2013

(as of June 10, 2015)

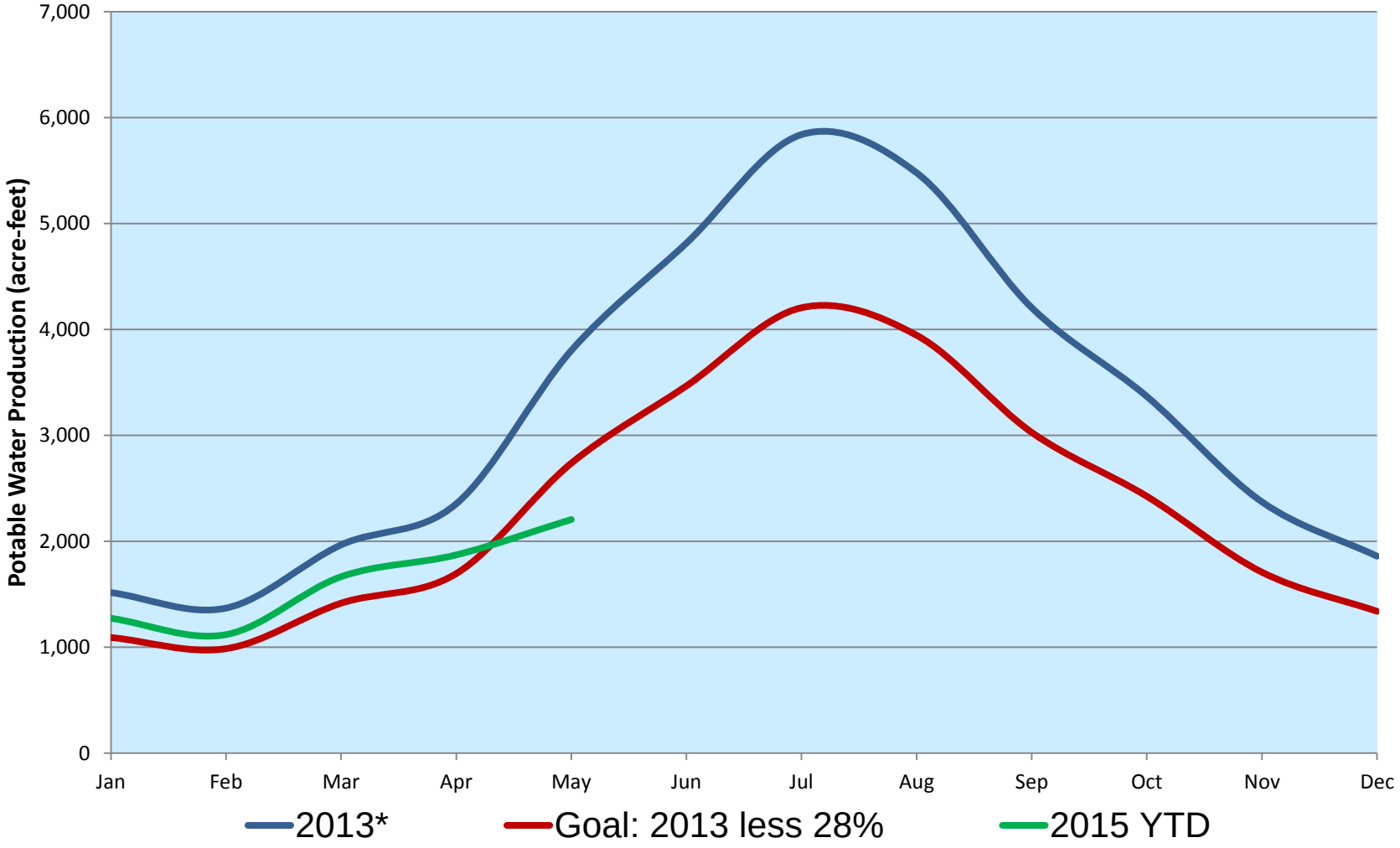


*2013 baseline per State Water Board and RWA standard

Potable Water Conservation Progress

Monthly Comparison - 2015 vs. 2013

(as of May 31, 2015)

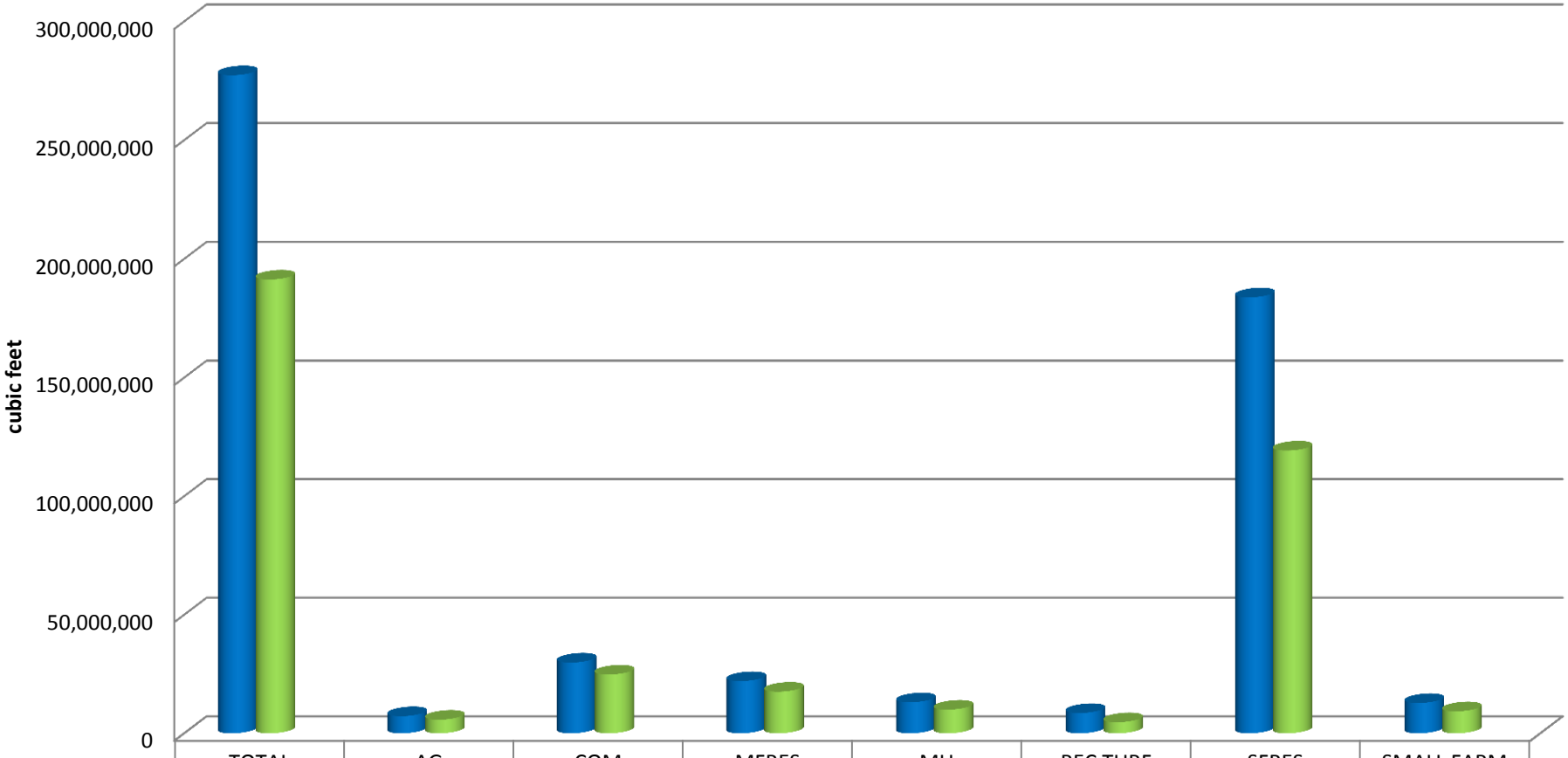


*2013 baseline per State Water Board and RWA standard

Potable Metered Use Comparison

2015 Year to Date (cubic feet)

(as of May 28, 2015)



	TOTAL	AG	COM	MFRES	MU	REC TURF	SFRES	SMALL FARM
2013	277,345,057	7,236,290	29,857,000	22,010,420	13,077,500	8,559,400	183,819,767	12,784,680
2015	191,330,362	5,761,570	24,794,982	17,562,100	9,986,100	4,683,200	119,264,310	9,278,100
% CHANGE	-31.01%	-20.38%	-16.95%	-20.21%	-23.64%	-45.29%	-35.12%	-27.43%

60% of 2013 Domestic Irrigation use was rolled into the 2013 Single Family Residential category. The remaining 40% was rolled into the 2013 Small Farm category.

Recycled Water Conservation Progress

Weekly Comparison - 2015 vs. 2013

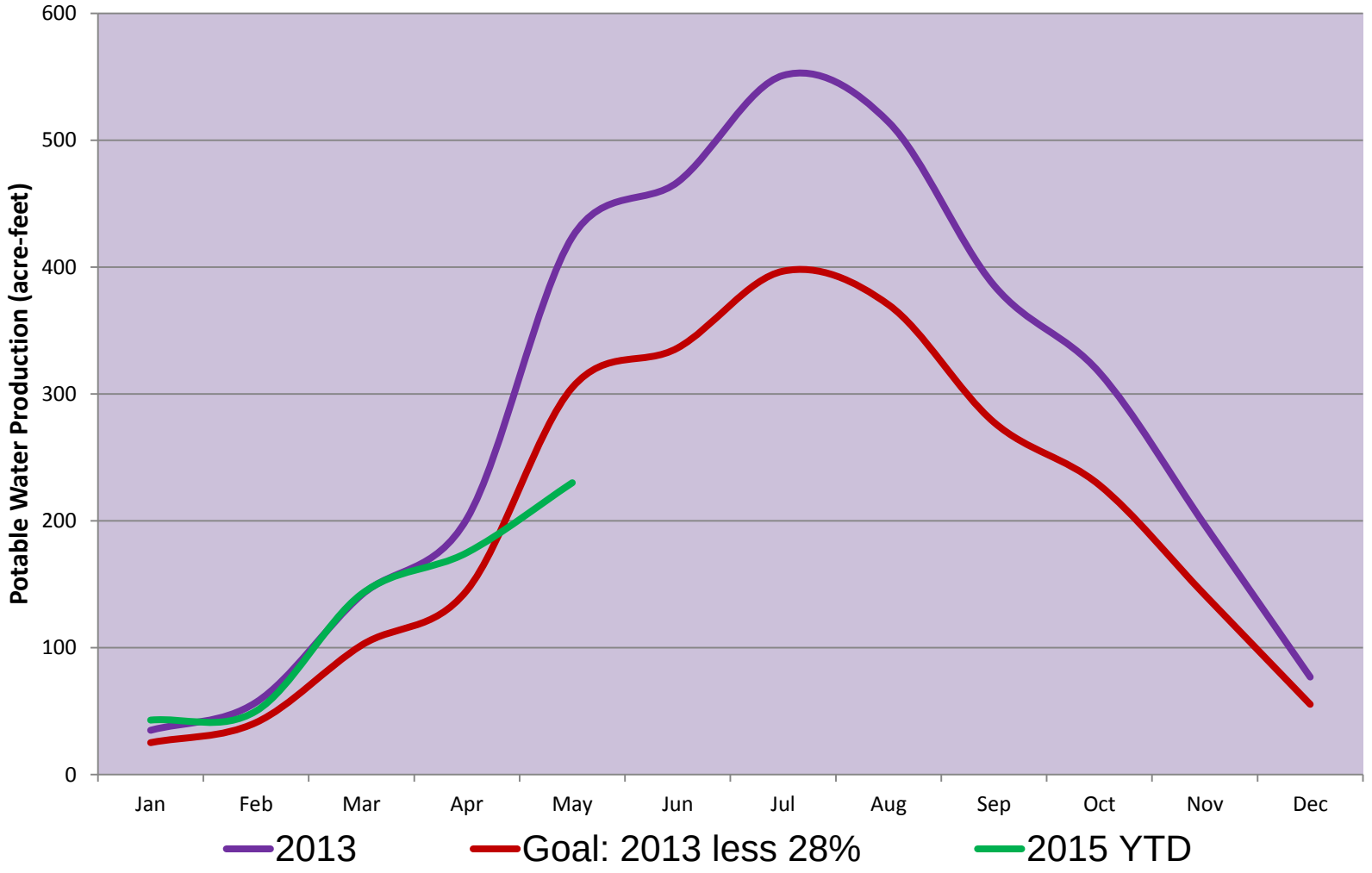
(as of June 10, 2015)

*2013 baseline per State Water Board and RWA standard

Recycled Water Conservation Progress

Monthly Comparison - 2015 vs. 2013

(as of May 31, 2015)

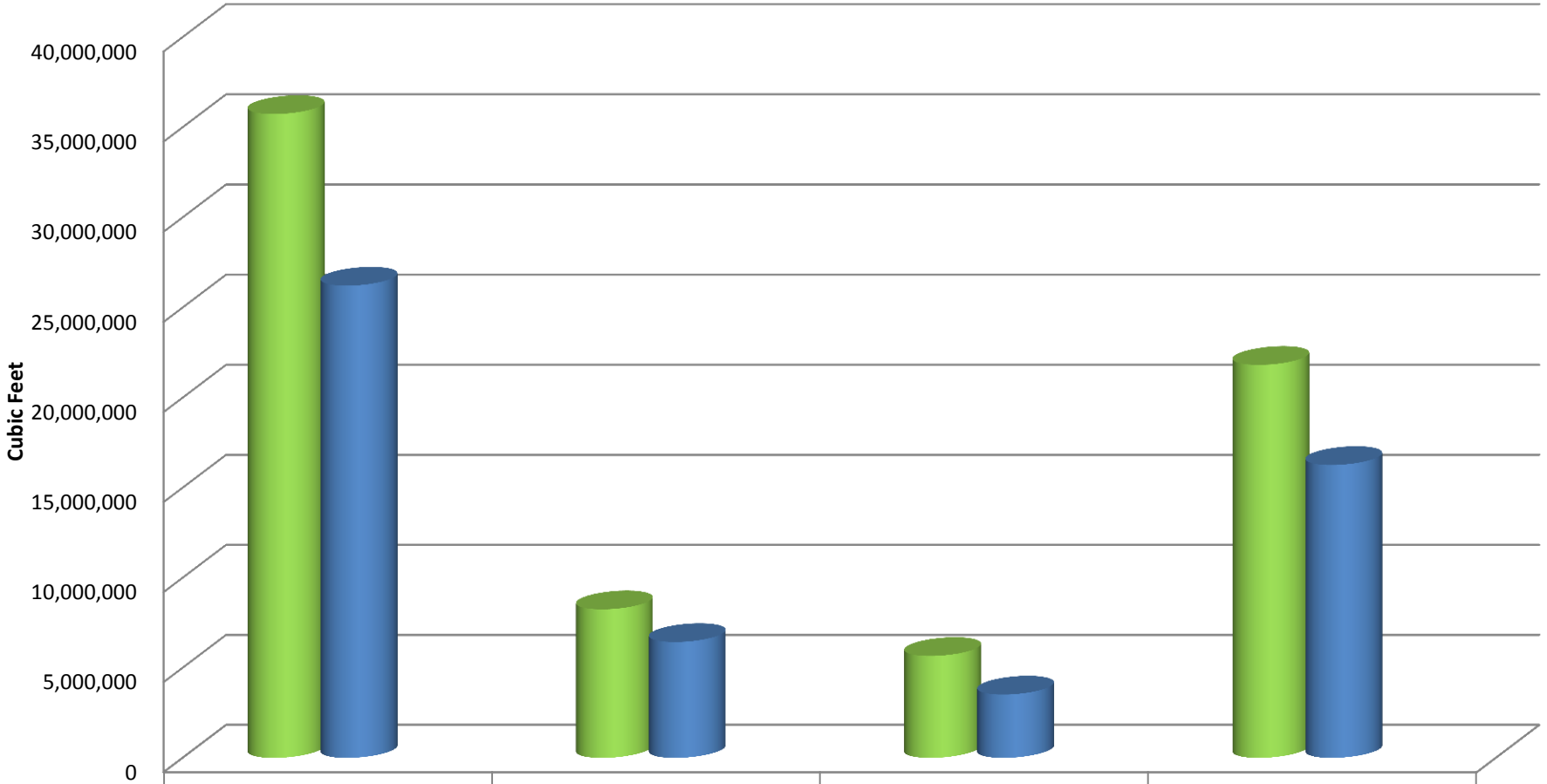


*2013 baseline per State Water Board and RWA standard

Recycled Metered Use Comparison

2015 Year to Date (cubic feet)

(as of June 8, 2015)



	TOTAL USE	COM	REC TURF	RES DUAL
2013	35,739,039	8,251,800	5,661,500	21,825,739
2015	26,221,300	6,435,800	3,517,100	16,268,400
% CHANGE	-26.63%	-22.01%	-37.88%	-25.46%

CONSENT ITEM NO. 1
June 22, 2015

EL DORADO IRRIGATION DISTRICT

Subject: Ratification of EID General Warrant Registers for the periods ending June 2, June 9, 2015, and Employee Expense Reimbursements for these periods.

Previous Board Action:

February 4, 2002 – The Board approved to continue weekly warrant runs, and individual Board member review with the option to pull a warrant for discussion and Board ratification at the next regular Board meeting.

August 16, 2004 – Board adopted the Board Expense Payments and Reimbursement Policy.

August 15, 2007 – The Board re-adopted the Board Expense Payments and Reimbursement Policy as Board Policy 12065 and Resolution No. 2007-059.

Board Policies (BP), Administrative Regulations (AR), and Board Authority:

Section 24600 of the Water Code of the State of California provides no claim is to be paid unless allowed by the Board.

Summary of Issue:

The District's practice has also been to notify the Board of proposed payments by email and have the Board ratify the Warrant Registers. Copies of the Warrant Registers are sent to the Board of Directors on the Friday preceding the Warrant Register's date. If no comment or request to withhold payment is received from any Director by the following Tuesday morning, the warrants are mailed out and formal ratification of said warrants is agendized on the next regular Board agenda.

On April 1, 2002, the Board requested staff to expand the descriptions on the Warrant Registers and modify the current format of the Warrant Registers.

On July 30, 2002, the Board requested staff to implement an Executive Summary to accompany each Warrant Register which includes all expenditures greater than $3,000 per operating and capital improvement plan (CIP) funds.

Staff Analysis/Evaluation:

Warrant registers submitted for June 2, June 9, 2015 totaling $869,860.87, and Employee Expense Reimbursements for these periods.

Current Warrant Register Information
Warrants are prepared by Accounts Payable; reviewed and approved by the Accounting Manager; the Director of Finance and the General Manager or their designee.

Register Date	Check Numbers	Amount
June 2, 2015	646793 – 646914	$ 362,565.96
June 9, 2015	646915 – 647052	$ 507,294.91

Current Employee Expense Payments and Reimbursement Information
The items paid on Attachment B are expense and reimbursement items that have been reviewed and approved by the Clerk to the Board, Accounting Manager and the General Manager before the warrants are released. These expenses and reimbursements are for activities performed in the interest of the District in accordance with Board Policy 12065 and Resolution No. 2007-059.

Additional information regarding employee expense reimbursement is available for copying or public inspection at District headquarters in compliance with Government Code Section 53065.5.

Board Decision/Options:

Option 1: Ratify the EID General Warrant Registers as submitted to comply with Section 24600 of the Water Code of the State of California. Receive and file Employee Expense Reimbursements.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

Staff/General Manager's Recommendation:

Option 1.

Support Documents Attached:

Attachment A: Employee Expense Reimbursements totaling $100 or more

Tony Pasquarello
Accounting Manager

Mark Price
Director of Finance (CFO)

Jennifer Sullivan
Clerk to the Board

Jim Abercrombie
General Manager

Attachment A

Employee Expenses/Reimbursements

Warrant Registers dated 06/02/15 - 06/09/15

EMPLOYEE	DESCRIPTION	AMOUNT
COSTA, ALISON	SUPPLIES FOR SAFETY APPRECIATION PICNIC	$124.35
SAICH, JESSE	PARKING AND LUNCH AT ACWA CONFERENCE AND TUITION REIMBURSEMENT	$1,664.55
STRAHAN, DANA	TRAVEL ADVANCE	$698.00
SULLIVAN, JENNIFER	TUITION REIMBURSEMENT	$224.73
KELLER, THOMAS	TUITION REIMBURSEMENT AND D3 EXAMINATION FEE	$658.23
		$3,369.86

MINUTES
REGULAR MEETING OF THE BOARD OF DIRECTORS
EL DORADO IRRIGATION DISTRICT
District Board Room, 2890 Mosquito Road, Placerville, California
June 8, 2015 ~ 9:00 A.M.

Board of Directors

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CALL TO ORDER

President George called the meeting to order at 9:00 A.M.

Roll Call

Board

Present: Directors Osborne, Prada, George, Coco, and Day

Staff

Present: General Manager Abercrombie, General Counsel Cumpston, and Clerk to the Board Sullivan

Pledge of Allegiance and Moment of Silence

President George led the Pledge of Allegiance followed by a Moment of Silence dedicated to our troops serving throughout the world.

ADOPT AGENDA

ACTION: Agenda was adopted.

MOTION CARRIED

Ayes: Directors Coco, Day, Osborne, Prada, and George

COMMUNICATIONS

General Manager's Employee Recognition

1) Awards and Recognitions
   a) Welcome to the District, Matt Johnson. Matt has been hired as a replacement to the position of Construction and Maintenance Worker I in the Water Construction Division.

APPROVE CONSENT CALENDAR

ACTION: Consent Calendar was approved.

MOTION CARRIED

Ayes: Directors Coco, Prada, Osborne, George, and Day

PUBLIC COMMENT

Darwin Throne, El Dorado Hills
Joe Fuller, Cameron Park
Ed Willyard, El Dorado Hills
Paul Raveling, El Dorado Hills
Bob Leighty, Rescue
John Cordova, El Dorado Hills

COMMUNICATIONS

Board of Directors

Director Osborne spoke about his recent presentation to a Camino community group.

Director Coco spoke about his recent presentation to a local group of growers.

Clerk to the Board
None

General Manager
2) Staff Reports and Updates
   a) Drought Update and Conservation Progress – Summary by Brian Mueller
      Public Comment: Darwin Throne, El Dorado Hills
      Ed Willyard, El Dorado Hills
   b) 2015 Customer Satisfaction Survey – Summary by Jenny Downey and Jesse Saich
   c) Sly Park Recreation Area named Best Camp Ground by KCRA 3 A-List voters – Summary by Jesse Saich

CONSENT CALENDAR

1. **Finance (Pasquarello)**
   Ratification of EID General Warrant Registers for the periods ending May 19, and May 26, 2015, Board and Employee Expense Reimbursements for these periods, and approval of Board expenses over 60 days old.

   ACTION: Option 1: Ratified the EID General Warrant Registers as submitted to comply with Section 24600 of the Water Code of the State of California. Received and filed Board and Employee Expense Reimbursements, and approved $28.38 in expenses more than 60 days old.

   MOTION CARRIED
   Ayes: Directors Coco, Prada, Osborne, George, and Day

2. **Clerk to the Board (Sullivan)**
   Approval of the minutes of the May 26, 2015, regular meeting of the Board of Directors.

   ACTION: Option 1: Approved as submitted.

   MOTION CARRIED
   Ayes: Directors Coco, Prada, Osborne, George, and Day

3. **Office of the General Counsel (Cumpston)**
   Ratification of Resolution No. 2015-010, to maintain emergency declaration, and ratification of Stage 4 Drought Emergency for Outingdale.

   ACTION: Option 1: Ratified Resolution No. 2015–010 *(thus maintaining the general drought emergency declaration for purposes of bidding, contracting, and CEQA compliance),* and ratified the Stage 4 Drought Emergency for Outingdale.

   MOTION CARRIED
   Ayes: Directors Coco, Prada, Osborne, George, and Day

4. **Finance (Pasquarello)**
   Funding approval for District Capital Improvement Plan (CIP) Projects.

   ACTION: Option 1: Authorized funding for the CIP projects as requested in the amount of $64,552.

   MOTION CARRIED
   Ayes: Directors Coco, Prada, Osborne, George, and Day

END OF CONSENT CALENDAR

ACTION ITEMS

5. **Office of the General Counsel (Poulsen)**
   State Legislation Update.

   Public Comment: Joe Fuller, Cameron Park
   Ed Willyard, El Dorado Hills

   ACTION: Option 1: Approved recommendations on proposed state legislation as the District's official positions.

   MOTION CARRIED
   Ayes: Directors Coco, Osborne, Prada, George, and Day

6. **Finance (Pasquarello)**
   Presentation of 2014 Annual Audit.

   Public Comment: Darwin Throne, El Dorado Hills

   ACTION: Option 1: Received and filed the 2014 Annual Audit.

   MOTION CARRIED
   Ayes: Directors Osborne, Coco, Prada, George, and Day

7. **Engineering (T. Sullivan)**
   Consideration to award a construction contract to TNT Industrial Contractors Inc. in the not-to-exceed amount of $344,740; and authorize total funding of $453,678 for the El Dorado Hills Wastewater Treatment Plant Digester 1 Rehabilitation, Project No. 14043.01, Contract No. 15-06.

   Public Comment: Ed Willyard, El Dorado Hills
   Joe Fuller, Cameron Park
   Gay Willyard, El Dorado Hills

   ACTION: Option 1: Awarded a construction contract to TNT Industrial Contractors Inc. in the not-to-exceed amount of $344,740; and authorized total funding of $453,678 for the El Dorado Hills Wastewater Treatment Plant Digester 1 Rehabilitation, Project No. 14043.01, Contract No. 15-06.

   MOTION CARRIED
   Ayes: Directors Day, Coco, Osborne, Prada, and George

REVIEW OF ASSIGNMENTS

Director Day requested that staff bring back an agenda item to the Board on whether to reconsider action previously taken on the pond filling prohibition within the Drought Action Plan.

ADJOURNMENT

President George adjourned the meeting at 11:56 A.M.

_____

Bill George, President
Board of Directors
EL DORADO IRRIGATION DISTRICT

ATTEST:

_____

Jennifer Sullivan
Clerk to the Board
EL DORADO IRRIGATION DISTRICT

Approved: _____

CONSENT ITEM NO. 3
June 22, 2015

EL DORADO IRRIGATION DISTRICT

SUBJECT:

Ratification of Resolution No. 2015-010, to maintain emergency declaration, and ratification of Stage 4 Drought Emergency for Outingdale.

Board Action:

- February 4, 2014 – Board adopted Resolution No. 2014-006, declaring a drought emergency.
- February 10 and 24, March 10 and 24, April 14 and 28, 2014 – Board ratified Resolution No. 2014-006 to maintain the drought emergency.
- May 12, 2014 – Board adopted Resolution No. 2014-010, renewing and updating the emergency drought declaration.
- June 9, 2014 – Board adopted Resolution No. 2014-011, renewing and updating the emergency drought declaration, ratifying the General Manager's declaration of a Stage 4 Drought Emergency in Outingdale, and ratifying the suspension of Clear Creek flow augmentation.
- June 13, 2014 – At a special meeting, Board authorized staff to increase releases to Clear Creek, using water stored in Jenkinson Lake, to provide approximately 2.0 cubic feet per second flows to ditch customers through July 15.
- June 23, July 14, July 28, August 11, August 25, September 8, October 14, 2014 – Board ratified Resolution No. 2014-011 to maintain the drought emergency.
- October 14, 2014 – Board adopted Resolution 2014-023, declaring an emergency for the repair of the Esmeralda Tunnel.
- October 27, November 10, December 8, 2014 – Board ratified Resolutions Nos. 2014-011 and 2014-023 to maintain the emergency declarations.
- January 12, January 26, February 9, February 23, March 9, 2015 – Board ratified Resolutions Nos. 2014-011 and 2014-023 to maintain the emergency declarations.
- March 23, 2015 – Board adopted Resolution No. 2015-010, renewing and updating the drought emergency declaration.
- April 13, 2015 – Board ratified Resolution No. 2015-010 to maintain the drought emergency declaration.
- May 11, May 26, June 8, 2015 – Board ratified Resolution No. 2015-010 to maintain the drought emergency declaration, and ratified the General Manager's declaration of a Stage 4 Drought Emergency in Outingdale.

Board Policies (BP), Administrative Regulations (AR), and Board Authority:

Public Contract Code section 11102: An emergency is a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.

Public Contract Code section 22050: The Board must ratify the existence of a declared emergency at each subsequent regular Board meeting by four-fifths vote, or the declared emergency is deemed to be terminated.

California Environmental Quality Act (CEQA) Guidelines section 15359: An emergency is a sudden, unexpected occurrence, involving a clear and imminent danger, demanding immediate action to prevent or mitigate loss of, or damage to life, health, property, or essential public services.

Public Resources Code section 21080(b)(4) and CEQA Guidelines section 15269(c): exempt from CEQA actions necessary to prevent or mitigate an emergency.

Summary of Issue:

Since February 4, 2014, the Board has taken the following actions to find and determine that the current drought conditions have continuously constituted an emergency:

- Unanimous adoption of Resolution No. 2014–006 on February 4, 2014;
- Unanimous ratification of that resolution at six subsequent regular Board meetings through April 28, 2014;
- Adoption of Resolution No. 2014–010 on May 12, 2014;
- Adoption of Resolution No. 2014–011 on June 9, 2014;
- Ratification of Resolution No. 2014–011 on June 23, July 14, July 28, August 11, August 25, September 8, October 14, October 27, November 10, and December 8, 2014, and January 12, January 26, February 9, February 23, and March 9, 2015;
- Adoption of Resolution No. 2015-010 on March 23, 2015; and
- Ratification of Resolution No. 2015-010 on April 13, May 11, May 26, and June 8, 2015.

For the emergency declaration to remain in effect, the Board must find (by four-fifths vote for bidding and contracting purposes) at each regular meeting that the need for emergency action still exists. The Board can do so today by ratifying Resolution No. 2015–010.

Further, the Board must ratify any emergency action taken by District staff pursuant to the authority delegated by the resolutions at its next regular meeting after such action is taken. The Board ratified the General Manager's Stage 4 Drought Emergency declaration for Outingdale on May 11, but because Resolution No. 2015–010 does not include that action, the Board must continue to ratify this emergency separately to keep it in effect. No other ratification of staff actions is required at this time.

Staff Analysis/Evaluation:

In Resolutions Nos. 2014–006, –010, –011, and 2015–010, the Board found and determined that the current drought conditions constituted an emergency within the meaning of and for the purposes of (among other enactments) Public Contract Code sections 11102, 22050(a)(2), and 20567, Public Resources Code section 21080(b)(4), and CEQA Guidelines sections 15269(c) and 15359. The Board's failure to adopt Resolution No. 2014-010 by four-fifths vote on May 12, 2014 and to ratify Resolution No. 2014-011 by four-fifths vote on July 28, 2014 terminated the declaration of emergency for purposes of the Public Contract Code. The Board's four-fifths votes to ratify on June 9 and August 11, 2014 reinstated the emergency for those purposes. The Board has subsequently adopted or ratified resolutions to keep the emergency continuously in effect; however, because the currently operative resolution (No. 2015–010) does not include the Stage 4 Drought Emergency in Outingdale, the Board must continue to ratify that staff action at each regular meeting to maintain that emergency condition in effect.

It behooves the District to do what it can to address drought conditions affecting the District. Such activities may include advancing projects to protect or expand available water supplies, which the resolution expedites by authorizing staff to dispense with the delays inherent in the competitive bidding and environmental review processes, so that the Board can more quickly consider construction projects and contracts.

Updates on Drought Topics

Following are status updates on the Deer Creek and Project 184 flow variances, which Resolution No. 2015-010 authorized and directed District staff to pursue.

District staff has submitted a petition to the State Water Resources Control Board (SWRCB) to allow the minimum releases from the Deer Creek Wastewater Treatment Plant to again be reduced to 320,000 gallons per day, as was done successfully in 2014, without adverse environmental impacts. Unfortunately, an entirely new set of staff at the SWRCB and California Department of Fish and Wildlife are reviewing the petition, who lack knowledge of the scientific basis and successful results of last year's initiative. Rather than expediting the request, they are delaying it and asking for repetitious and additional environmental work that will consume unnecessary money, time, and water resources. With recycled demands increasing as summer takes hold, the General Manager has written to the SWRCB's Executive Director (copies to the SWRCB Board), urging him to personally ensure that the petition receives expedited consideration. Meanwhile, District staff and consultants continue to work diligently to obtain the regulators' timely cooperation in processing this request.

On Project 184, the District has secured SWRCB and Federal Energy Regulatory Commission (FERC) approvals to temporarily reduce minimum streamflows below the Kyburz diversion dam. Extensive summer precipitation thus far in the high Sierra has made it unnecessary to invoke this variance, and has also increased storage in Caples Lake far beyond our expectations. It seems increasingly likely that the District will be able to sustain normal streamflows for weeks to come, and perhaps all summer long.

As of June 9, the SWRCB still had not begun to curtail any pre-1914 water rights in the state. In late May, just before an expected curtailment of all pre-1914 rights in the San Joaquin River watershed, the SWRCB accepted a voluntary cutback of 25% from Delta agricultural interests holding riparian water rights, which no doubt delayed the implementation of further curtailments. Curtailment of pre-1914 water rights is still expected, however, and General Counsel expects litigation to ensue once this occurs. Depending upon the timing and scope of any such action, the District may want to join the litigation. On June 9, 2014, the District's Board authorized EID to enter into litigation with other agencies to challenge any such action by the SWRCB. General Counsel will assess the legal landscape and consider joining such litigation if necessary or appropriate, and will promptly report any initiation of litigation to the Board.

Staff has taken no emergency actions since the June 8, 2015 meeting that require ratification at this time. Please refer to the staff report for the September 8, 2014 ratification of the emergency declaration for an explanation of the General Manager's contracting authority in a declared emergency.

Board Decisions/Options:

Option 1: Ratify Resolution No. 2015–010 *(thus maintaining the general drought emergency declaration for purposes of bidding, contracting, and CEQA compliance),* and ratify the Stage 4 Drought Emergency for Outingdale.

Option 2: Decline to ratify Resolution No. 2015–010 *(thus terminating the general drought emergency declaration for purposes of bidding, contracting and CEQA compliance),* but ratify the Stage 4 Drought Emergency for Outingdale.

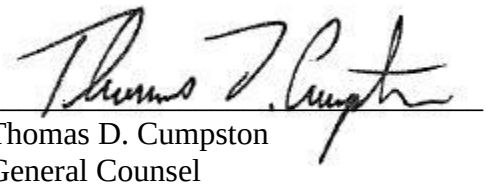
Option 3: Take no action *(thus terminating the general drought emergency declaration for purposes of bidding, contracting and CEQA compliance).*

Staff/General Manager's Recommendation:

Option 1 (four-fifths vote required for purposes of bidding and contracting).

Support Document Attached:

A. Resolution 2015-010



Thomas D. Cumpston
General Counsel

Jim Abercrombie
General Manager

RESOLUTION OF THE BOARD OF DIRECTORS OF
EL DORADO IRRIGATION DISTRICT
CONTINUING ITS DECLARATION OF A STAGE 2 WATER WARNING
AND THE EXISTENCE OF AN EMERGENCY

OPERATIVE FACTS

WHEREAS, El Dorado Irrigation District (District) has experienced dry conditions since 2012, with unimpaired runoff in the American River basin of 74% of normal in 2012, 41% of normal in 2013, and 32% of normal in 2014; and

WHEREAS, 2013 was the driest calendar year on record in California, and water year 2014 was the third-driest water year on record in California; and

WHEREAS, January 2015 was the driest, and January 2013 was the third-driest, January on record in California; and

WHEREAS, as of March 10, 2015, the United States Drought Monitor stated that all of El Dorado County and two-thirds of California were an extreme or exceptional drought condition; and

WHEREAS, as of March 12, 2015, snow water content in the American River basin was 6% of normal for March 1 and 5% of normal for April 1, according to the state Department of Water Resources (DWR); and

WHEREAS, the District's March 2015 manual readings of snow water content for the Caples Lake watershed averaged 22% of normal, and about one-third of the snow water content readings in March 2014; and

WHEREAS, the United States Bureau of Reclamation (Reclamation) has stated that it will deliver no more than the greater of public health and safety needs or 25% of adjusted historical average deliveries of Central Valley Project water to Municipal and Industrial contractors such as the District; and

WHEREAS, Jenkinson Lake, the District's largest source of supply at 41,033 acre-feet capacity, is unlikely to fill in 2015 despite the importation of more than 8,000 acre-feet of water through the Hazel Tunnel in 2013 and 2014, and the planned importation of an additional 6,000 acre-feet in 2015; and

WHEREAS, on January 17, 2014, Governor Edmund G. Brown Jr. proclaimed a state of emergency in California due to drought conditions, and on April 25, 2014, the Governor proclaimed a continued state of emergency for the same reason; and

WHEREAS, the Governor's two proclamations made findings that included the following:

- California's water supplies continue to be severely depleted;
- Extremely dry conditions have persisted since 2012 and the duration of this drought is unknown;
- Among the urgent challenges presented by the severe drought conditions is additional water scarcity if the conditions continue (as they have) into 2015;
- The magnitude of the severe drought conditions continues to present threats beyond the control of the services, personnel, equipment, and facilities of any single local government;

- Conditions of extreme peril to the safety of persons and property exist in California due to water shortage and drought conditions with which local authority is unable to cope; and

WHEREAS, the Governor's emergency proclamations included the following directives:

- Californians are called on to reduce their water usage by 20 percent;
- Local urban water suppliers are called on to implement their local water shortage contingency plans immediately to avoid or forestall outright restrictions that could become necessary later in the drought season;
- California residents should refrain from wasting water and in particular should:
    - Avoid using water to clean sidewalks, driveways, parking lots and other hardscapes;
    - Turn off fountains and other decorative water features unless they use recycled or grey water;
    - Limit home vehicle washing by patronizing local carwashes that recycle water;
    - Limit outdoor watering of lawns and landscaping to not more than two times a week;
- Recreational facilities such as parks and golf courses and large institutional complexes, such as school and business parks, should immediately implement water reduction plans to reduce the use of potable water for outdoor irrigation;
- Hotels and restaurants should reduce water usage and increase public awareness of the drought by offering drinking water only upon request and providing customers with options to avoid daily washing of towels or sheets;

- Architectural and landscaping provisions of a common interest development that prohibit compliance with any local or state water conservation measures, such as landscaping installation or maintenance requirements, are void and unenforceable; and

WHEREAS, in July 2014 the Water Board adopted emergency regulations requiring local agencies to adopt mandatory conservation measures, and on March 10, 2015 Water Board staff proposed that the Water Board re-adopt all 2014 measures, plus additional mandatory conservation measures on March 17, 2015; and

WHEREAS, in May 2014 the Water Board issued mandatory curtailment notices affecting virtually all post-1914 consumptive water rights, on January 23, 2015 the Water Board sent a notice of potential curtailment of diversions of all water rights in 2015 to the District and other water rights holders in California, and on February 4, 2015 the Water Board issued an Information Order to the District and other holders of riparian and pre-1914 water rights in California, requiring proof of those rights' validity, reporting of their use in 2014, projections of 2015 use, and monthly updates of actual 2015 use; and

APPLICABLE LAW, REGULATION, AND POLICY

WHEREAS, Public Resources Code section 21080(b)(4) and CEQA Guidelines section 15269(c) exempt from CEQA any actions that are necessary to prevent or mitigate an emergency; and

WHEREAS, CEQA Guidelines section 15359 defines "emergency" as "a sudden, unexpected occurrence, involving a clear and imminent danger, demanding immediate action to prevent or mitigate loss of, or damage to life, health, property, or essential public services;" and

WHEREAS, Public Contract Code section 20567 authorizes irrigation districts to let contracts without notice for bids in case of an emergency; and

WHEREAS, Public Contract Code section 22050(a)(2) requires that before action is taken to procure equipment, services, and supplies without giving notice for bids, the governing body must first make a finding, based on substantial evidence set forth in the minutes of its meeting, that the emergency will not permit a delay resulting from a competitive solicitation for bids, and that the action is necessary to respond to the emergency; and

WHEREAS, Public Contract Code section 11102 defines "emergency" as "a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services;" and

WHEREAS, District Board Policy 2050 authorizes the District's General Manager to act "in emergency situations where no Board Policies or Administrative Regulations exist;" and

WHEREAS, District Administrative Regulation 3061.1, subdivision g, authorizes emergency procurements of supplies, equipment, services, or construction items when there exists a threat to public health, welfare, or safety, and requires Board of Directors ratification of emergency procurements exceeding $50,000; and

WHEREAS, on March 1, 2014, the Governor signed SB 103 and SB 104 into law, making $687.4 million available for drought relief, including $549 million of accelerated infrastructure grants for projects included in Integrated Regional Water Management Plans (IRWMPs); and

WHEREAS, on November 4, 2014 California voters approved a $7.5 billion water bond measure that includes funding for projects in many categories, including IRWMPs; and

WHEREAS, beginning on February 4, 2014, the Board has adopted or ratified resolutions declaring and maintaining continuously in place an emergency and a Stage 2 Water Warning due to drought conditions; and

WHEREAS, the Board adopted the staff-prepared Drought Action Plan on February 4, 2014, and approved revisions to the Drought Action Plan on April 14, 2014 and now wishes to approve further revisions to the Drought Action Plan;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the Board of Directors of the El Dorado Irrigation District (Board) as follows:

1. The Board concurs with and adopts the findings of the Governor's January 17 and April 25, 2014 emergency proclamations.
2. The Board approves the further revised Drought Action Plan as separately adopted by Board motion on March 23, 2015.
3. The Board renews and continues a Stage 2 Water Warning.
4. The Board finds and declares that the current drought conditions constitute an emergency within the meaning of CEQA Guidelines section 15359, Public Contracts Code section 11102, District Board Policy 2050, and District Administrative Regulation 3061.1, subdivision g.
5. The Board finds and declares that the adoption of this Resolution and all of the delegations, authorizations, and directions to the General Manager and District staff specified in paragraph 7, below, satisfy the requirements and criteria of Public Resources Code section 21080(b)(4), CEQA Guidelines section 15269(c), and Public Contract Code sections 22050(a)(2) and 20567.

6. The foregoing findings and declarations are based upon all written, oral, and visual evidence, including both facts and professional opinions, presented to the Board at the meetings of February 4, 10, and 24, March 10 and 24, and April 2, 14, and 28, May 12, and June 9, 2014, March 9, 2015, and at the hearing of this Resolution.

7. The Board hereby delegates, authorizes, and directs the District General Manager and his designees to take all actions reasonably deemed necessary to respond to the emergency conditions declared herein, including but not limited to the following specific actions:

   a. Pursue a new proposal with the Water Board for a temporary modification of the minimum instream flow requirements prescribed for the Deer Creek Wastewater Treatment Plant by Water Rights Order No. WR 95-9, to again minimize potable water supplementation of the recycled water system in 2015.

   b. Continue consultation with and obtain all necessary regulatory approvals from the Federal Energy Regulatory Commission, U.S. Forest Service, Water Board, the California Department of Fish and Wildlife, and members of the Project 184 Ecological Resources Committee for temporary variances to Project 184's instream flow requirements as necessary to enhance and conserve Project 184 water storage for consumptive water supplies and future instream flows for as long as drought conditions persist.

   c. Implement all Stage 2 drought actions detailed in Exhibit A.

d. Enter into professional services and construction contracts as reasonably deemed necessary to expedite the preservation and enhancement of water supply availability for the District's customers.

e. Report to and seek ratification of the Board for any actions taken in excess of normal authority or authority expressly granted by this Resolution, at the first regular Board meeting held after each such action.

f. Continue to report to the Board at least monthly, and more often if necessary, on the current status of the drought conditions, responsive actions taken, weekly water usage data, and the need, if any, for further Board actions, including a Stage 3 drought declaration and the declaration of a Stage 4 water supply emergency.

8. This Resolution shall take effect immediately upon adoption. Subject to the ratification required by Public Contract Code sections 22050(b)(3), (c)(1), and (c)(2), and by District Administrative Regulation 3061.1, subdivision g, this Resolution shall remain in full force and effect until rescinded by a subsequent Resolution of the Board of Directors.

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The foregoing Resolution was introduced at a special meeting of the Board of Directors of the El DORADO IRRIGATION DISTRICT held on the 23rd day of March, 2015 by Director Osborne, who moved its adoption. The motion was seconded by Director Day, and a poll vote was taken which stood as follows:

AYES: Directors Osborne, Coco, Prada, George, and Day
NOES:
ABSTAIN:
ABSENT:

The motion having a majority of votes "Aye", the Resolution was declared to have been adopted, and it was so ordered.

Bill George
President, Board of Directors of
EL DORADO IRRIGATION DISTRICT

ATTEST:

Jennifer Sullivan
Clerk to the Board

(SEAL)

I, the undersigned, Clerk to the Board of the EL DORADO IRRIGATION DISTRICT hereby certify that the foregoing resolution is a full, true and correct copy of a Resolution of the Board of Directors of the EL DORADO IRRIGATION DISTRICT entered into and adopted at a special meeting of the Board of Directors held on the 23rd day of March, 2015.

Jennifer Sullivan
Clerk to the Board
EL DORADO IRRIGATION DISTRICT

CONSENT ITEM NO. 4
June 22, 2015

EL DORADO IRRIGATION DISTRICT

Subject: Consideration of a resolution to authorize execution of an easement quitclaim to Michael Pecherer for an abandoned easement (APN: 043-030-04).

Previous Board Actions:

None.

Board Policies (BP), Administrative Regulations (AR), and Board Authority:

Water Code Section 22500 authorizes conveyance of District property when the Board determines by resolution that property is no longer necessary for District purposes.

Water Code Section 22502 requires all conveyances of District property to be executed by the secretary and president on behalf of the District in accordance with a resolution of the Board.

Summary of Issue(s):

Landowner, Michael Pecherer, seeks conveyance of District property interest of an easement on his newly-acquired property (APN: 043-030-04). District abandoned its right by non-use of subject easement and therefore should quitclaim as requested.

Staff Analysis/Evaluation:

The District has abandoned (by more than five years of non-use) a portion of its Main Ditch easement running along the northerly side of 3435 Carson Court, Placerville, CA (APN: 043-030-04), which the Landowner recently purchased. The District has ceased using the easement and traversing this parcel is no longer required by District. With the District relinquishing rights to subject easement, the Landowner will eliminate this encumbrance on the title to his property.

Easement quitclaims proposed by staff are required to be presented to the Board of Directors for review and approval by resolution. After approval by Board, easement quitclaims are then recorded with the El Dorado County Recorder's Office.

District staff has prepared an easement quitclaim to Michael Pecherer, which has been reviewed for accuracy. As District no longer requires this abandoned easement right, it is prudent to relieve it of all administrative and legal responsibilities associated with retaining the subject easement.

Board Decision/Options:

Option 1: Adopt a Resolution approving and authorizing execution of the Easement Quitclaim as submitted.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

Staff/General Manager's Recommendation:

Option 1.

Supporting Documents Attached:

A) Proposed Resolution and Easement Quitclaim

Pat Johnson
Paralegal

Thomas D. Cumpston
General Counsel

Jim Abercrombie
General Manager

Resolution No. 2015 -

RESOLUTION OF THE BOARD OF DIRECTORS OF EL DORADO IRRIGATION DISTRICT APPROVING AND AUTHORIZING THE EXECUTION OF AN EASEMENT QUITCLAIM TO MICHAEL S. PECHERER ASSESSOR PARCEL NUMBER 043-030-04-100

WHEREAS, El Dorado Irrigation District formerly owned and operated a portion of the Main Ditch on 3435 Carson Court, Placerville, California; and

WHEREAS, El Dorado Irrigation District has abandoned all rights to this portion of the Main Ditch through non-use; and

WHEREAS, landowner, Michael Pecherer, has requested that the El Dorado Irrigation District Board of Directors approve an easement quitclaim to the Michael Saul Pecherer Intervivos Trust for the subject rights; and

WHEREAS, El Dorado Irrigation District's General Counsel has advised that conveyance of the subject easement rights be by reference to assessor parcel number set forth above; and

WHEREAS, El Dorado Irrigation District no longer requires the easement on the subject parcel and desires to relieve it of all administrative and legal responsibilities associated with the easement.

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the Board of Directors of El Dorado Irrigation District that the subject easement rights are no longer necessary for District purposes and that the District shall quitclaim any interest in the Main Ditch it may hold on the subject parcel (APN 043-030-04-100) as depicted in Exhibit A.

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The foregoing Resolution was introduced at a meeting of the Board of Directors of the EL DORADO IRRIGATION DISTRICT, held on the 22nd day of June, 2015, by Director _____, who moved its adoption. The motion was seconded by Director _____, and a poll vote taken which stood as follows:

AYES:

NOES:

ABSENT:

ABSTAIN:

The motion having a majority of votes "Aye", the resolution was declared to have been adopted, and it was so ordered.

_____
Bill George
President, Board of Directors of
EL DORADO IRRIGATION DISTRICT

ATTEST:

_____
Jennifer Sullivan
Clerk to the Board

{SEAL}

I, the undersigned, Clerk to the Board of the EL DORADO IRRIGATION DISTRICT hereby certify that the foregoing resolution is a full, true and correct copy of a Resolution of the Board of Directors of the EL DORADO IRRIGATION DISTRICT entered into and adopted at a regular meeting of the Board of Directors held on the 22nd day of June, 2015.

_____

Jennifer Sullivan
Clerk to the Board
EL DORADO IRRIGATION DISTRICT

Recording Requested By, & Mail To:
El Dorado Irrigation District
c/o Pat Johnson, Paralegal
2890 Mosquito Road
Placerville, CA 95667

Name: Michael S. Pecherer
Address: 24 Rio Vista
Orinda, CA 94563
Assessor Parcel No.: 043-030-04-100
Documentary Transfer Tax $ 0 RTT 11911

For County Recorder's Use Only

EASEMENT QUITCLAIM

EL DORADO IRRIGATION DISTRICT does hereby REMISE, RELEASE AND FOREVER QUITCLAIM to **MICHAEL S. PECHERER, TRUSTEE OF THE MICHAEL SAUL PECHERER INTERVIVOS TRUST DATED SEPTEMBER 16, 2008**, owner of the real property situate in the unincorporated area of the County of El Dorado, State of California, filed for record in the Office of the El Dorado County Recorder on January 27, 2015, and more precisely described in the attached Exhibit A (**APN 043-030-04-100**), hereinafter the "Subject Parcel," all right, title, and interest held by the District in that portion of the Subject Parcel traversed by the Main Ditch, including all District easement rights or claims of easement rights to that portion of the Subject Parcel.

By: _____ Date: _____
Bill George
President of the Board of Directors
EL DORADO IRRIGATION DISTRICT

By: _____ Date: _____
Jim Abercrombie
General Manager / Secretary
EL DORADO IRRIGATION DISTRICT

~ Notary Acknowledgements Attached~

Form E-31 Rev.4/07

E X H I B I T A

ALL THAT PORTION OF LOT 1 OF THE NORTHWEST QUARTER OF SECTION 7, TOWNSHIP 10 NORTH, RANGE 12 EAST, M.D.B.&M., PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHERLY RIGHT OF WAY BOUNDARY OF STATE HIGHWAY FEDERAL ROUTE 50, A 3/4 INCH DIAMETER IRON PIPE WITH CAP STAMED “RE 4391” SET IN OLD FENCE LINE, FROM WHICH POINT THE NORTHWEST CORNER OF SECTION 7, BEARS NORTH 19° 16’ 50” WEST 1305.1 FEET, AND RUNNING THENCE; NORTH 172.28 FEET TO A POINT IN THE CENTER OF THE EL DORADO IRRIGATION DISTRICT CANAL, FROM WHICH POINT A 3/4 INCH DIAMETER IRON PIPE WITH CAP STAMPED “RE 4391” BEARS SOUTH 12.0 FEET; THENCE FOLLOWING THE CENTER OF SAID CANAL, SOUTH 74°25’ 20” WEST 207.36 FEET; FROM WHICH POINT A 3/4 INCH DIAMETER, IRON PIPE WITH CAP STAMPED “RE 4391” BEARS SOUTH 8.0 FEET; THENCE LEAVING CENTER OF SAID CANAL, AND RUNNING SOUTH 126.48 FEET TO THE NORTHERLY SIDE OF RIGHT OF WAY OF STATE HIGHWAY FEDERAL ROUTE 50 A 3/4 INCH IRON PIPE; THENCE ALONG SAID NORTHERLY BOUNDARY OF RIGHT OF WAY, NORTH 87° 10’ EAST 200.00 FEET TO THE POINT OF BEGINNING.

DIRECTOR ITEM NO. 5
June 22, 2015

Subject:

Whether to reconsider action previously taken on the pond-filling prohibition within the Drought Action Plan.

Previous Board Action:

May 11, 2015 – The Board approved revisions to the Drought Action Plan, including a prohibition on the filling of non-irrigation ponds with potable or recycled water.

May 26, 2015 – The Board affirmed the prohibition on pond filling.

Board Policies (BP), Administrative Regulations (AR), and Board Authority:

BP 12080, subdivision I. – No matter upon which "action is taken" may be reagendized or reconsidered for six months, unless the Board votes to reconsider the matter; if the Board so votes, the matter is placed on the agenda of a future meeting for reconsideration.

Summary of Issue:

On May 11, 2015, on a 4 to 1 vote, the Board approved the revisions to the District's Drought Action Plan which included moving from Stage 3 to Stage 2 a prohibition on the filling or re-filling of ponds, lakes, and other non-irrigation water features with District-supplied potable or recycled water. The District is currently in a Stage 2 drought.

During the May 26, 2015 Board meeting, on a 4 to 1 vote, the Board approved an action that affirmed this prohibition on pond filling.

During the June 8, 2015 Board meeting, Director Day requested that staff prepare an item for the next regular Board meeting for the Board to reconsider the action previously taken on the pond-filling prohibition.

Because it has not yet been six months since Board action was taken on this matter, the present item is for the Board to determine whether it wishes to reconsider the action taken. If the Board does vote to reconsider, the actual reconsideration of this policy will be agendized for a future Board meeting.

Board Decisions/Options:

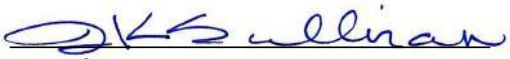
Option 1: Agendize an item for a future meeting to reconsider action previously taken on the pond-filling prohibition within the Drought Action Plan.
Option 2: Take other action as directed by the Board.
Option 3: Take no action.

Recommendation:

Board preference.

Support Documents Attached:

None.



Jennifer Sullivan
Clerk to the Board

DIRECTOR ITEM NO. 6
June 22, 2015

EL DORADO IRRIGATION DISTRICT

Subject:
Consideration to adopt a resolution in support of the nomination of Director Bill George to serve as vice president on the Association of California Water Agencies (ACWA) Board of Directors.

Previous Board Action:
None

Board Policies (BP), Administrative Regulations (AR), and Board Authority:
BP 12100 states that the President, with concurrence by the Board, shall appoint Board representatives to various organizations and associations. These entities shall be identified in AR 12101 and updated annually in consultation with the General Manager and General Counsel. AR 12101 identifies ACWA as one of these entities.

Summary of Issue(s):
The ACWA Nominating Committee is looking for members who are interested in leading the direction of ACWA for the 2016-2017 term. The ACWA Nominating Committee is responsible for submitting a slate for the Association's statewide positions of president and vice president to the general membership meeting at the 2015 Fall Conference. Director George has indicated a desire to serve as the vice president of the Board of Directors of ACWA for that term.

To be considered for the position of vice president on the ACWA Board, a candidate must meet the following criteria.

- Only an elected or appointed member of the governing body of an ACWA member agency shall be eligible for election to the officer positions.
- Nominations of qualified candidates are encouraged from all member agencies.
- All nominations for the positions of ACWA President and Vice President shall be accompanied by an official nominating resolution from the ACWA member agency on whose board the nominee serves. Said resolution shall be signed by an authorized signatory of the member agency's Board of Directors.
- A resume of the candidate, highlighting qualifications for the position, shall accompany each nomination.

The resolution and a resume of the candidate must be submitted to ACWA by September 1, 2015. The election of ACWA's President and Vice President will be held on December 2, 2015 during the Fall Conference. Candidates who are elected will begin their two-year term of service on January 1, 2016.

Board Decisions/Options:

Option 1: Concur with the Board President's request and adopt a resolution in support of the nomination of Director Bill George to serve as Vice President on the Association of California Water Agencies (ACWA) Board of Directors.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

Staff/General Manager Recommendation:

Option 1.

Supporting Documents Attached:

A. Resume
B. Proposed Resolution

Jennifer Sullivan
Clerk to the Board

Jim Abercrombie
General Manager

Bill George
Board President

BILL GEORGE
El Dorado Irrigation District

EL DORADO IRRIGATION DISTRICT

President	2007, 2013 and Current
Vice President	2006, 2011 and 2014
Director	2003 - Current

Accomplishments: The District received certification for Project 184—EID's hydroelectric power generation system—as meeting the state's renewable portfolio standard; began operation of EID's one-megawatt photovoltaic solar power facility that was built in collaboration with state agencies and private companies; completed a precedent-setting excavation of burial remains along the route for a new wastewater pipeline that involved a complex, successful partnership with local, state and tribal entities; won Pacific Gas and Electric Company's Golden Orb award for outstanding participation in demand-reduction programs; adopted a long-awaited master plan for Sly Park Recreation Area; and completed construction of three new tanks and a booster station to add drinking water and recycled water storage capacity

EL DORADO WATER & POWER AUTHORITY JOINT POWERS AUTHORITY

Chair	2010
Director	2004 - Current

Accomplishments: This JPA was responsible for negotiating an agreement with Sacramento Municipal Utility District (SMUD) for 40,000 AF of water storage space as well as 15,000 AF of carry over storage for drought protection during SMUD's application for re-licensing their Upper American Project. The JPA is now in the application process to the State Water Resources Control Board to obtain the water rights to fill that storage space.

ASSOCIATION OF CALIFORNIA WATER AGENCIES

BOARD OF DIRECTORS

Board Member	2013 - Current

REGION 3

Chair	2015 - Current
Vice Chair	2013 - 2014
Member	2005 - Current

COMMITTEES AND TASK FORCES
Business Development
Energy
Finance
Water Management
Dues Structure
Sustainable Ground Water Management Act (SGMA)

MOUNTAIN COUNTIES WATER RESOURCES ASSOCIATION

President	2010 - 2013
Vice President	2009 - 2010
Treasurer	2015 - Current
Director	2009 - Current

SACRAMENTO REGIONAL WATER AUTHORITY

BOARD OF DIRECTORS

Representative	2007 - Current

EXECUTIVE COMMITTEE

Chair	2011
Vice Chair	2010
Representative	2009 - Current

PERSONAL

Bill is an avid pilot who flew volunteer missions for Angel Flight as well as search and rescue flights for the Sheriff's Air Squadron before selling his airplane. He also served on the El Dorado Airport Commission and Placerville Airport Advisory Committee for several years.

Bill has been a resident of El Dorado County for 25 years. He lived in Swansboro from 1998 until 2013, where he served as a member of the Swansboro Country Property Owner's Association Board of Directors from 2002 to 2003.

Resolution No. 2015-

**RESOLUTION OF THE BOARD OF DIRECTORS OF
EL DORADO IRRIGATION DISTRICT
TO NOMINATE AND SUPPORT DIRECTOR BILL GEORGE
AS A CANDIDATE FOR THE POSITION OF ACWA VICE PRESIDENT**

WHEREAS, ACWA has announced that a Nominating Committee has been formed to develop a slate for the Association's statewide positions of President and Vice President; and

WHEREAS, the individual who fills an officer position will need to have a working knowledge of water industry issues and concerns, possess strength of character and leadership capabilities, and be experienced in matters related to the performance of the duties of the office; and

WHEREAS, this person must be able to provide the dedication of time and energy to effectively serve in this capacity; and

WHEREAS, Bill George has served in a leadership role as a member of the El Dorado Irrigation District (EID) Board of Directors since 2003, is currently serving his third term as EID Board President, and has also served three terms as Vice President; and

WHEREAS, in the governance of EID Bill George has developed an exceptionally broad knowledge of water industry issues and concerns, because:

- EID wholesales and retails potable water to a fast-growing population of more than 100,000 spanning urban, suburban, and rural locales;
- EID serves about 20% of its water to commercial agriculture;
- EID collects and treats wastewater to tertiary levels;
- EID is a leader and supplies recycled water to nearly 4,000 customer accounts, including thousands of residential front- and back-yard landscapes;
- EID operates Federal Energy Regulatory Commission Project No. 184, a 21-megawatt hydroelectric project, and wholesales the electric power it generates;
- EID operates facilities ranging from Gold Rush-era ditches to state-of-the-art water and wastewater treatment plants; and
- EID is one of the leading local providers of recreation on the Western Slope of the Sierra Nevada; and

WHEREAS, Bill George is a leader of Sacramento's Regional Water Authority (RWA), having served as a board member since 2004, as a member of its Executive Committee since 2009, and having completed terms as Vice-Chair and Chair of RWA; and

WHEREAS, Bill George is a leader of the Mountain Counties Water Resources Association, currently as a board member and previously as both Vice President and President of that organization; and

WHEREAS, Bill George has also demonstrated leadership and developed further expertise in water industry issues and concerns through his service to ACWA, beginning with his election to the ACWA Region 3 Board in 2005, continuing with his current chairing of that Board and membership on the ACWA Board of Directors, and including his current membership on ACWA's Finance, Business Development, Water Management and Energy committees and its Dues Task Force, as well as his recent participation in ACWA's Sustainable Ground Water Management Task Force; and

WHEREAS, as an accomplished pilot, former IT professional, active retiree, and confirmed extrovert, Bill George has demonstrated that he possesses the time, energy, and character necessary for success; and

WHEREAS, it is the opinion of the El Dorado Irrigation District Board of Directors that Bill George possesses all of the qualities needed to fulfill the duties of the office of ACWA Vice President.

NOW, THEREFORE, BE IT RESOLVED, that the El Dorado Irrigation District Board of Directors does hereby nominate and support Bill George as a candidate for the office of ACWA Vice President, pledging the District's support of his endeavors in fulfilling the duties of this office if elected.

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The foregoing Resolution was introduced at a regular meeting of the Board of Directors of the EL DORADO IRRIGATION DISTRICT, held on the 22nd day of June 2015, by Director ____ who moved its adoption. The motion was seconded by Director ____ and a poll vote taken which stood as follows:

AYES:

NOES:

ABSENT:

ABSTAIN:

The motion having a majority of votes "Aye", the resolution was declared to have been adopted, and it was so ordered.

_____
Bill George, President
Board of Directors
EL DORADO IRRIGATION DISTRICT

ATTEST:

_____
Jennifer Sullivan
Clerk to the Board
EL DORADO IRRIGATION DISTRICT

(SEAL)

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I, the undersigned, Clerk to the Board of the EL DORADO IRRIGATION DISTRICT hereby certify that the foregoing resolution is a full, true and correct copy of a Resolution of the Board of Directors of the EL DORADO IRRIGATION DISTRICT entered into and adopted at a regular meeting of the Board of Directors held on the 22nd day of June 2015.

_____

Jennifer Sullivan
Clerk to the Board
EL DORADO IRRIGATION DISTRICT

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ACTION ITEM NO. 7
June 22, 2015

EL DORADO IRRIGATION DISTRICT

SUBJECT:

Consideration of a professional services agreement with Domenichelli and Associates in the not-to-exceed amount of $160,291 for the Upper Main Ditch Piping Project and authorize total funding of $259,543; Project No. 11032.

Board Actions:

- January 13, 2014 – The Board adopted a resolution authorizing the General Manager to sign and submit a grant proposal to the United States Bureau of Reclamation for the WaterSMART: Water and Energy Efficiency Grants FY 2014 for the Main Ditch Improvements.,
- February 24, 2014 – The Board approved $62,670 for the Main Ditch project, with funding identified for preparation of a Basis of Design Report.
- June 9, 2014 – The Board authorized funding of $174,000 for the Main Ditch project, with funding identified for topographical survey and research into the history and extent of existing easements and right of ways.
- October 14, 2014 – The Board adopted the 2015 – 2019 Capital Improvement Plan, that included this project, subject to funding availability.
- October 14, 2014 - The Board received a General Manger Report regarding DWR's recommendation for award of $1,000,000 in Proposition 84 drought funding for the Main Ditch Piping Project through the Regional Water Authority.
- December 8, 2014 – The Board adopted a resolution authorizing the General Manager to sign and submit a grant proposal to the United States Bureau of Reclamation for the WaterSMART: Water and Energy Efficiency Grants FY 2014 for the Main Ditch Improvements, Project No. 11032
- May 11, 2015 – The Board approved a contract with PPC Land Consultants in the amount of $176,362.62 for title research and easement acquisition and authorized funding of $201,362.62.

Board Policies (BP) and Administrative Regulations (AR):

BP 3060, Contracts and Procurement: AR 3061.04, contracts greater than $50,000 must be approved by the Board; and AR 3061.05, procurement of services from a single source.

BP 5000, Water Supply Management: The Board is committed to provide a water supply based on the principles of reliability, high quality, and affordability in a cost-effective manner with accountability to the public.

BP 5030, Water Conservation: It is Board policy to take reasonable and prudent measures to conserve all water and to adopt and implement water-use efficiency programs that will benefit its customers.

Summary of Issue:

Article 10 of the California Constitution mandates reasonable and beneficial use of the state's water resources. The proposed piping of the Upper Main Ditch will protect District water rights from potential unreasonable use claims by eliminating water losses from seepage and evapotranspiration of up to 1,300 acre-feet per year.

Preliminary engineering and various environmental and land surveys have been prepared for the piping project. The next step is completion of the final design and contract specifications. A Final Design Request for Proposals (RFP) has been answered by four qualified engineering firms. With this agenda item staff is seeking Board approval of a contract with Domenichelli and Associates in an amount not-to-exceed $160,291 to complete final design.

Staff Analysis / Evaluation:

Background

The Upper Main Ditch is approximately 3-miles long and conveys a maximum of 15,080 acre-feet of raw water annually from the Forebay Reservoir to the Reservoir 1 Water Treatment Plant (WTP). A significant portion of the water is lost to seepage and evapotranspiration because most of the ditch is unlined. Flow loss measurement studies have shown that ditch losses can be up to 1,300 acre-feet annually, depending on flow rates and weather conditions. Piping the main ditch will eliminate these losses and provide the following benefits:

- Improves existing supply reliability in dry years and extended, persistent drought;
- Protects water rights from unreasonable use claims;
- Reduces the potential for contamination;
- Reduces operations and maintenance cost related to solids handling;
- Potentially delays and reduces capital cost for future WTP improvements;
- Contributes to compliance with State mandated 20% water conservation by 2020
- Increases hydro generation revenue
- Reduces pumping cost at Folsom Reservoir.

An interim benefit of the piping project is a potential increase in hydroelectric generation revenue of approximately $200,000 in normal years until the full 15,080 acre-feet is needed to meet demand. By reducing losses by 1,300 acre-feet, more water can be left in Project 184 to generate power. The long term benefit, when the full 15,080 acre-feet is needed to meet demand, is reduced pumping out of Folsom which is estimated to be $230,000 annually.

Final Design Consultant Selection Process

In 2014, Domenichelli and Associates (D&A) completed a Basis of Design Report (BODR) for the piping project that identified design considerations, established criteria for final design, and project elements for environmental review.

Request for Proposals

A Final Design RFP was released in April 2015. The RFP was advertised in the Mountain Democrat on April 24, 2015 and emailed to the General Engineering On-Call List on April 22, 2015. The RFP was also posted to the District's website on April 22, 2015. On May 22, 2015 the following proposals were received.

Proposal Fee Summary

Engineering Firm	Fee Proposal
Domenichelli and Associates	$160,291
Dahl Consultants	$271,145
Hydroscience Engineers, Inc.	$272,975
GHD, Inc.	$320,286

Proposal Evaluation and Ranking

An evaluation committee consisting of three 3 engineering staff members was used to evaluate and rank the proposals. The proposals were measured against the following predetermined criteria established in the RFP.

- Responsiveness to RFP
- Experience and expertise on similar projects
- Project team makeup and capabilities
- Rates and charges, affordability and cost control
- Evaluations from client references

All proposals were determined to be responsive to the RFP and provided recent and relevant experience/expertise with similar projects. Each consultant offers strong team members and capabilities that match project needs, and has internal cost and quality control programs. Hourly rates for key team members, however, varied significantly between firms.

D&A's proposal received the highest overall score, primarily due to its lower proposed fee. The lower fee can be attributed to fewer estimated hours to complete the scope of work and lower hourly rates. Staff has discussed with D&A its significantly lower estimated hours and it has confirmed the scope of work can be completed within the estimated hours. D&A has worked for the District for many years and has an excellent track record of delivering high quality work products on time and within budget. Reference checks confirm other agencies have had similar experiences with D&A. Based on relevant experience, a strong team and reasonable rates, staff is recommending the Board award a professional services contract to D&A to complete final design.

Prior to initiating detailed design, also included in the scope is further evaluation of design concepts and alternatives that may potentially reduce costs and/or shorten the construction duration, including alignment, pipeline material alternatives, and other criteria.

Work Remaining

The remaining tasks required to ready the project for construction are described below:

- Title reports/easement acquisition – underway
- Easement survey and legal description - Complete survey required to prepare easement legal description.
- Public Outreach – Initial contact has been made with property owners along the ditch alignment and meetings with community leaders/interests have begun to provide project information and receive feedback. At least two public meetings will be held during the environmental review process to inform the public and receive input on the project. Website postings and Waterfront updates will also be employed to accurately and timely inform the public of relevant project information and activities. District staff will complete the Public Outreach task.
- Final Design - Preparing pipeline design and construction bid documents is the subject of this agenda item.
- Environmental Impact Report - Prepare an environmental impact report (EIR) and complete permitting. An RFP for the EIR is anticipated to be released in July 2015. Staff anticipates returning to the Board in August to request award of a professional service contract for preparation of the EIR.

Project Cost

The BODR estimates the cost of construction for the piping project to be approximately $4.5 million. Design, permitting, and construction services are estimated to be $1.5 million, for a total estimated project cost of $6 million. Inclusive in the total project cost are the critical path tasks shown in the following table. These tasks need to begin in June/July 2015 to avoid delaying the overall project schedule. Total anticipated expenditures are $209,543 for these tasks.

Critical Path Task Expenditures

Task	Contracting	Fee
Final design	Domenichelli and Associates	$160,291
Easement survey and legal descriptions	On-call consultant	$49,252
Total Critical Path Tasks		*$209,543*

Project Funding

Project funding of $5,625,000 for the Main Ditch is identified in the 2015-1019 Capital Improvement Plan. Staff is requesting additional funding of $259,543 to cover critical path tasks and staff time through the end of August, as shown in the following table.

Current Project Funding Need

Critical path task expenditures	$209,543
Capitalized labor	$50,000
Current funding need	*$259,543*

The piping project has been included in the CIP for several years and the District has applied for several grants to offset project costs. The District has also entered into an agreement with the Carson Creek Subdivision developer that requires payment of a conservation charge in lieu of using recycled water. This funding is dedicated to water conservation projects. The following table provides a summary of successful and pending grant applications for various project tasks and developer conservation charges that can be used to offset project costs. Remaining project costs will be financed through a future bond sale, as described in Board adopted Resolution No. 2014-021 regarding its Intention to Issue Tax Exempt Obligations passed September 8, 2014, expected the 1st quarter of 2016.

Grant/Conservation Charge Funding Summary

Funding Source	Purpose	Grant Amount	Status
El Dorado County Water Agency (FY12/13, FY13/14 Cost Share Program)	Environmental surveys, Basis of Design Report, title research, land surveys	$232,000	Successful
DWR - Integrated Regional Water Management Program	Design and Construction	$1,000,000	Successful, awaiting agreement
Carson Creek conservation charges	Water Conservation Projects	$799,848	Executed Agreement
El Dorado County Water Agency (2015/16 Cost Share Program)	Environmental Impact Report and Final Design	$365,000	Approved contingent on avail. funds

Future Board Items

The anticipated topics for future Board consideration include the following:

1. Environmental Impact Report contract award - August 24, 2015
2. Environmental Impact Report certification and project approval – May 2016
3. Construction contract award – Summer 2016

Board Decisions/Options:

Option 1: Award a professional services contract to Domenichelli and Associates in the not-to-exceed amount of $160,291 and authorize total funding of $259,543 for the Main Ditch Improvements, Project No. 11032.

Option 2: Take other action as directed by the Board.

Option 3: Take no action.

Staff/General Manager's Recommendation:

Option 1

Supporting Documents Attached:

Attachment A – Domenichelli and Associates Proposal

Tracey Eden-Bishop, P.E.
Associate Engineer

Elizabeth D. Wells, P.E.
Engineering Manager

Dana Strahan
Drinking Water Operations Manager

Brian Mueller, P.E.
Director of Engineering

Mark Price
Director of Finance

Tom McKinney
Director of Operation

Jim Abercrombie
General Manager

Attachment A

Scope of Work

This section provides our understanding of the detailed scope of work provided in the RFP and describes any exceptions to the scope. Each scope item is summarized for this purpose.

Task 1 Project Management

1.1 Coordination & Meetings – D&A will coordinate with EID staff, the District's consultants and our geotechnical sub-consultant as required during the course of work as follows:

- D&A will be responsible for scheduling site access for our design team and for providing project information for the District's surveyor and land acquisition consultants.
- D&A will provide project descriptions and figures, and will discuss permit requirements and possible mitigation measures with EID environmental staff and consultants.
- We anticipate 4 design review meetings – at kickoff, 30%, 60% and 95% submittal stages. Two additional meetings are budgeted to address special issues such as environmental and right-of-way coordination.

1.2 Progress Reports – D&A will prepare and submit monthly progress reports along with monthly invoices that meet DWR and USBR grant requirements. The report will include progress to date, anticipated progress for the next period, schedule updates, design team and District action items, status of deliverables, any exceptions to the schedule and suggested solutions to bring the project back on schedule.

1.3 Project Schedule – D&A will build on the project schedule provided in Section 5 to create a detailed Microsoft Project schedule (within 30 days of NTP). The schedule will be updated as necessary for inclusion with each of the design submittals. At a minimum, all activities listed in the RFP will be included in the Microsoft Project schedule. Public outreach (1-meeting) will also be included on the schedule.

Task 2 Final Design

D&A will prepare design plans and specifications (design documents) for the public bidding and construction of the Upper Main Ditch Piping Project. The design documents will be prepared in accordance with the criteria set forth in the RFP Task 2 items A through K, plus one additional task to revisit alignment and materials selections from the BODR at a more detailed level. This added task is described below as Task 2.1.1 Review BODR Recommendations. We clearly understand these requirements from several recent design projects for the District.

It should also be noted that this project design will include electrical design (by Frisch Engineering as a sub-consultant) to make the new valve control at the Reservoir 1 WTP fully automated. This effort will include design for valve motor control, flow meter signal integration, modifications to the existing MCC and PLC and descriptions for modifications to the SCADA programming.

2.1.1 Review BODR Recommendations – D&A will review the alignment and material alternatives with the District in detailed to confirm or modify the recommendations as necessary before beginning the final design. This effort will include:

a. Review of the constructability and related cost issues between the current ditch alignment and the Blair Road alignment alternative, taking into account a winter construction schedule for the ditch versus a longer construction window for the Blair Road alignment.
b. Potential for installing a parallel temporary pipeline to allow for a longer construction window for the ditch alignment installation.
c. Revisit the use of HDPE pipe considering the advantages of a seamless installation, including a two pipe alternative.

We will review the above alternatives with the District and brainstorm any other criteria refinements in a workshop meeting. The deliverable for this task will be a Technical Memorandum as and Amendment to the BODR. The District will review this memorandum and we will incorporate any comments received.

2.1.2 30% Design – D&A will prepare a 30% submittal that will include the following:

a. Pipeline Plans to scale that show:
   - Pipe alignment with stationing, turn radius data, fittings identified and trees to be removed
   - Location of all appurtenances including AVR valves and service connections
   - Forebay valve box connection and Res 1 WTP diversion and flow meter/control structure
   - All permanent easement lines, access locations and construction staging limits for the ROW consultants
   - Added survey base mapping of the two swale crossings for the hydrologic analysis

b. Draft Geotechnical Technical Memorandum describing:
   - Results of fill material analysis from Caltrans source and on-site ditch berm source
   - Recommendations for trench backfill, slope stability and pipe floatation control

c. 30% Design Technical Memorandum to include:
   - Confirmation of pipe material selection and any other criteria updates from the BODR
   - Discussion of construction equipment necessary for the project
   - Outline of specification sections
   - Hydrologic analysis to determine requirements for conveying upstream runoff past the new pipeline
   - 30% Cost Estimate and updated project schedule
   - Appendices including hydrologic calculations and items a. and b. above.

Other items of work during the 30% design will include descriptions and exhibits for inclusion into the environmental documents.

2.2 60% Design – The 60% design will build on the 30% design effort and comments from the District. In addition, the recommendations from the hydrology analysis will be incorporated into the 60% design.

Based on the addendum we understand that the District does not plan to provide a separate geotechnical investigation of the ditch subsurface conditions. In order to confirm the final profile we recommend a reconnaissance level investigation of the underlying ditch material conditions. This investigation will take place during the ditch outage and will include simple hand auger/probe of the subsurface and site inspections at locations of concern. This minimal effort (less than $10,000 of the total cost) will be used to optimize the profile relative to excavation and fill costs.

The 60% design effort will include the following:

- Final alignment plan and profile sheets
- Structural design layouts for the tie-in locations
- All detail sheets including drainage mitigation details
- Completion of all technical specification sections
- Updated costs and construction schedule
- A detailed QA/QC review per our QA/QC plan

2.3 95% Design – The 95% design effort will build on the 60% effort and comments from the District including public comments. The 95% documents will be considered a biddable set of plans and specifications including all “up front” specifications for bidding and all details on the plans. Although it is unlikely that permits will be obtained by this time, preliminary permit conditions should be available and incorporated into the specification package. If any are still pending they could be incorporated into the final bid package. The 95% submittal will include:

- 95% bid documents
- 95 % cost estimate
- Updated construction schedule
- Final Design calculations memorandum
- 95% QA/QC documentation per the QA/QC plan.

2.4 100% Design – The 100% design effort will build on the 95% effort and comments from the District to provide a package of bid-ready documents. Any updates to the schedule will be provided along with a final Engineer's Estimate.

Task 3 Public Outreach – D&A will attend and present project information at one public meeting during the design phase. A 2nd meeting prior to construction is not included under this scope.

Task 4 Bid Assistance – D&A will provide assistance with clarifications, addenda and will attend a pre-bid walk.

Project Deliverables & Exceptions (from RFP scope)

Project deliverables will be per those stipulated in the RFP with the following exceptions:

1. A two-phased geotechnical analysis (excavation/fill optimization analysis) will be provided, one phase during the 30% design to analyze fill material sources and a second reconnaissance level investigation during the 60% stage to evaluate the ditch sub-surface conditions during the annual outage.
2. The 30% Technical Memorandum will confirm or update the major design criteria from the BODR and include the plan sheets and geotechnical analysis as Appendices.

Upper Main Ditch Piping Project

El Dorado Irrigation District

Domenichelli and Associates, Inc. - Project Fee Breakdown

Task	Description	D&A QA/QC JD	PM SR	SE DH	PE BH	DFT JC	Total D&A labor	Divers * Surveying	SAGE* Geotech	Frisch* Electrical	Totals
	rates/hr	165	145	135	115	80					
	Project Management										
1.1	Coordination & Meetings	12	24		20		$ 7,760				$ 7,760
1.2	Progress Reports	6	20				$ 3,890				$ 3,890
1.3	Project Schedule	2	12		8		$ 2,990				$ 2,990
	subtotal	20	56	0	28	0	$ 14,640	$ -	$ -	$ -	$ 14,640
	Final Design										
2.1.1	Review BODR Recommendations	16	40	8	24		$ 12,280				$ 12,280
2.1.2	30% Design Services										
	a. Pipeline Plans	6	16		40	80	$ 14,310				$ 14,310
	b. Geotech Excavation/Fill Material Analysis	2	4		8		$ 1,830		$ 8,810		$ 10,640
	c. 30% Technical Memorandum	8	24		80	16	$ 15,280	$ 4,200		$ 971	$ 20,451
2.2	60% Design Services	12	32	16	40	76	$ 19,460		$ 7,255	$ 8,867	$ 35,582
2.3	95% Design Services	12	24	40	32	80	$ 20,940		$ 3,341	$ 4,452	$ 28,733
2.4	100% Design Services	8	16	4	32	40	$ 11,060			$ 1,145	$ 12,205
	subtotal	48	116	60	232	292	$ 82,880	$ 4,200	$ 19,406	$ 15,435	$ 134,201
	Public Outreach										
3a	Public Outreach	2	16		4	4	$ 3,430				$ 3,430
	subtotal	2	16	0	4	4	$ 3,430	$ -	$ -		$ 3,430
	Bid Assistance Services										
4	Bid period service	2	16	2	36	12	$ 8,020				$ 8,020
	subtotal	2	16	2	36	12	$ 8,020	$ -	$ -		$ 8,020
		TOTAL BASE FEE					$ 108,970	$ 4,200	$ 19,406	$ 15,435	$ 160,291
							TOTAL ESTIMATED FEE:				$ 160,291

* Subconsultant marked up 5%

Principal (QC)-Joe Domenichelli

Project Manager (PM)- Sara Rogers

Structural Engineer (SE) - Daryl Heigher

Project Engineer(PE) - Brian Hammer

Drafting (DRT) - Jim Cade

Upper Main Ditch Improvements
Project No. 11032

June 22, 2015

El Dorado Irrigation District

PREVIOUS BOARD ACTIONS

- February 24, 2014 – Board approved $62,670 for preparation of a Basis of Design Report.
- June 9, 2014 – Board authorized $174,000 for topographical survey and research of history/extent of right of way.
- October 14, 2014 – Board adopted 2015 – 2019 Capital Improvement Plan, including this project, subject to available funding.

PREVIOUS BOARD ACTIONS

- October 14, 2014 - Board received GM Report regarding DWR award of $1M in Prop 84 drought funding through RWA.
- December 8, 2014 – Board adopted resolution authorizing grant proposal submission to USBR WaterSMART program.

PREVIOUS BOARD ACTIONS

- May 11, 2015 – Board approved a contract with PPC Land Consultants in amount of $176,362.62 for title research and easement acquisition and authorized funding of $201,362.62.

BOARD POLICY

BP 3060, Contracts and Procurement

- AR 3061.04, contracts greater than $50,000 must be approved by the Board.
- AR 3061.05, procurement of services from a single source.

BP 5000, Water Supply Management

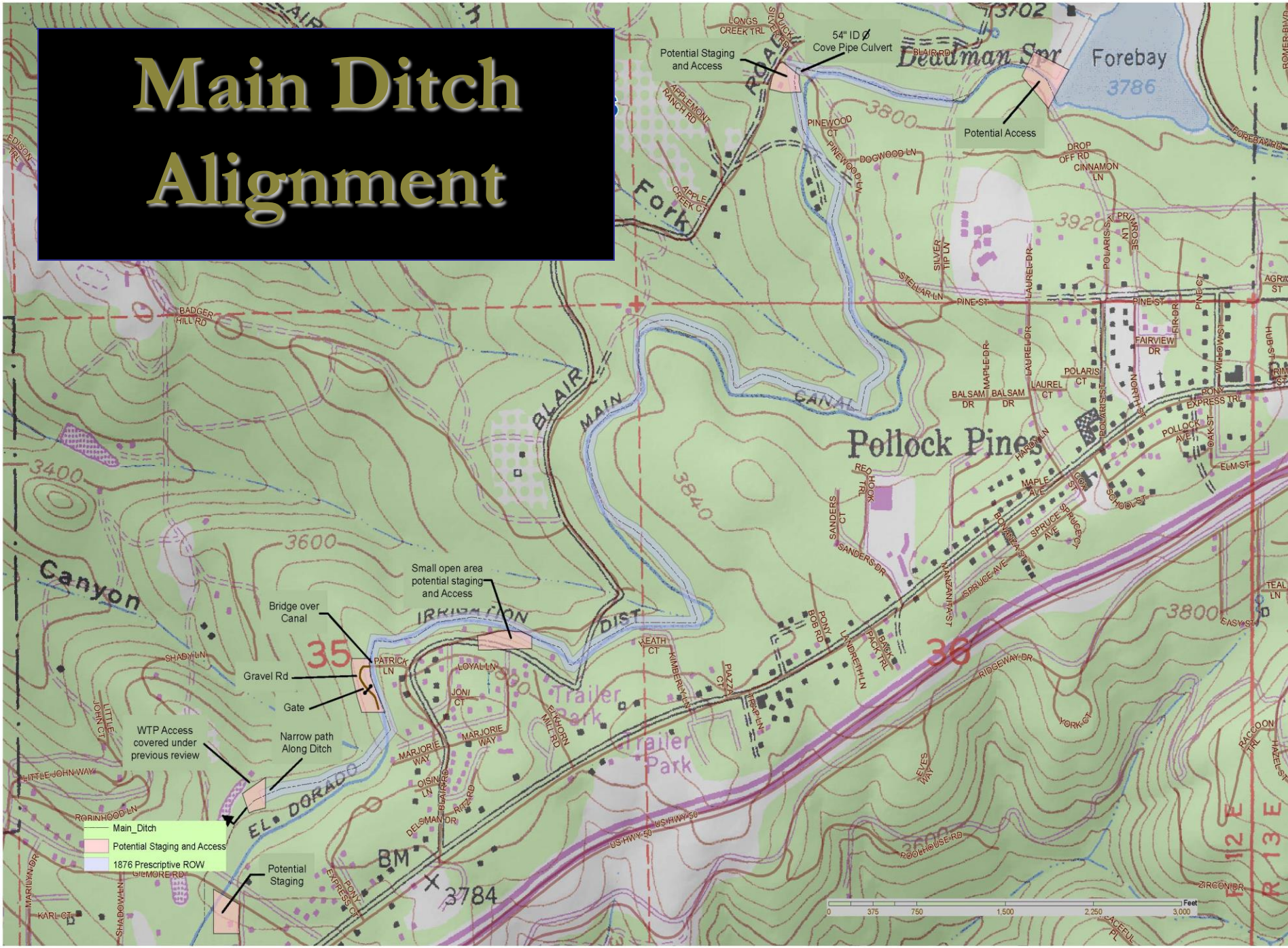
- The Board is committed to provide a water supply based on the principles of reliability, high quality, and affordability in a cost-effective manner with accountability to the public.

BOARD POLICY

BP 5030, Water Conservation

- It is Board policy to take reasonable and prudent measures to conserve all water and to adopt and implement water-use efficiency programs that will benefit its customers.

Main Ditch Alignment



SUMMARY OF ISSUE

- Constitution mandates reasonable and beneficial use
  - Protects water rights from unreasonable use claims
  - Eliminates up to 1,300 acre-feet loss
- Many other project benefits
  - Supply reliability
  - Water quality
  - Operations cost

SUMMARY OF ISSUE

- Preliminary engineering and various surveys have been prepared
- Final Design Request for Proposals (RFP) has been answered by four engineering firms
- Staff is seeking Board approval of a $160,291 contract with Domenichelli & Associates (D&A) to complete final design

OBJECTIVES AND BENEFITS

- Protects water rights from unreasonable use claims
- Improves supply reliability in dry years
- Improves water quality
- Reduces O&M cost for solids handling

OBJECTIVES AND BENEFITS

- Delays/reduces WTP capital cost
- Contributes to 20x2020 conservation compliance
- Reduces pumping cost at Folsom
- Interim increase in hydroelectric generation revenues

WHAT HAS BEEN COMPLETED?

- Environmental Surveys
- Wetland delineation study
- Wells and septic systems mapping
- Design surveys
- Basis of Design Report
- Exploratory title research

WHAT IS LEFT TO DO?

- Easement Acquisition
- Public Outreach
- Environmental
- Final Design
- Bidding
- Construction

CONSULTANT SELECTION PROCESS

- Final design scope of work
  - Based on BODR
  - Further consideration of cost saving concepts
  - Improvement plans and specifications
- Request for Proposals
  - Advertised in Mountain Democrat
  - Posted on Website
  - Emailed to On-Call list

CONSULTANT SELECTION PROCESS

- Proposal evaluation and ranking
  - Selection committee
  - Measured against predetermined criteria
  - All proposals responsive to RFP
  - All firms qualified and offer strong teams

CONSULTANT SELECTION PROCESS

Engineering Firm	Cost
Domenichelli & Associates	$160,291
Dahl Consultants	$271,145
Hydroscience Engineers	$272,975
GHD, Inc.	$320,286

CONSULTANT SELECTION PROCESS

- D&A received highest score
  - Relevant experience
  - Strong team
  - Proposed fee
  - Reference checks
- Staff recommends Board award contract to D&A

SCHEDULE

Title research and easement acquisition	**June 2015 - February 2016**
Final design	**July 2015 - March , 2016**
Environmental Impact Report	**August 2015 - May 2016**
Phase 1 Construction	**October 2016 -February 2017**
Phase 2 Construction	**October 2017 - February 2018**

PROJECT COST

Design, Permitting and Construction Services:
$1,500,000

Construction:
$ 4,500,000

Total Project:
$ 6,000,000

PROJECT COST

Critical Path Tasks

Task	Contracting	Cost
Final design	Domenichelli & Associates	$160,291
Easement survey and legal description	On-call consultant	$49,252
Total		*$209,543*

PROJECT FUNDING

Current Funding Need

Critical path task expenditures	**$209,543**
Capitalized labor	**$50,000**
Total	***$259,543***

PROJECT FUNDING

Grant and Conservation Charge Summary

Funding Source	Purpose	Grant Amount	Status
El Dorado County Water Agency	Environmental surveys, Basis of Design Report, title research, land surveys	$232,000	Successful
DWR - Integrated Regional Water Management Program	Design and Construction	$1,000,000	Successful, awaiting agreement
Carson Creek conservation charges	Water Conservation Projects	$799,848	Executed Agreement
El Dorado County Water Agency (2015/16 Cost Share Program)	Environmental Impact Report and Final Design	$365,000	Approved contingent on avail. funds

BOARD ACTION REQUESTED

- Award a professional services contract to Domenichelli and Associates in the not-to-exceed amount of $160,291
- Authorize total funding of $259,543

FUTURE AGENDA ITEMS

- Environmental Impact Report Award – August 2015
- Environmental Impact Report certification – May 2016
- Construction Award – Summer 2016

BOARD DECISIONS/OPTIONS

- **Option 1:** Award a professional services contract to Domenichelli and Associates in the not-to-exceed amount of $160,291 and authorize total funding of $259,543 for the Main Ditch Improvements, Project No. 11032.
- **Option 2:** Take other action as directed by the Board.
- **Option 3:** Take no action.

RECOMMENDATION

- Option 1


Questions

ACTION ITEM NO. 8
June 22, 2015

EL DORADO IRRIGATION DISTRICT

SUBJECT: Update on the Forebay Dam Modification Project and request for authorization of $421,416 in additional funding for design and environmental work.

Previous Board Actions:

- *July 21, 2003* – Staff briefed the Board on stability concerns raised by DSOD regarding the El Dorado Forebay Dam.
- *July 7, 2004* – The Board awarded a professional services contract to GEI Consultants Inc. to conduct a geotechnical investigation and stability analysis for Forebay Dam.
- *September 11, 2006* – The Board awarded a professional services contract (Phase I) to GEI Consultants, Inc., to prepare the *Alternatives Evaluation for the Remediation of El Dorado Forebay Dam, Basis of Design Report*.
- *May 24, 2010* – The E&O Committee received a staff report providing an update on DSOD/FERC requirements for El Dorado Project, FERC No. 184 Dams and the District's progress toward their completion, and particularly on the Forebay Dam.
- *January 24, 2011* – The Board authorized staff and GEI Consultants to proceed with Design (Phase II) and environmental analysis for the rehabilitation and enlargement of the El Dorado Forebay Dam as proposed in Alternative 3, and authorized funding for staff time and environmental services.
- *February 27, 2012* – The Board awarded a contract amendment to GEI Consulting, Inc. for design (Phase II).
- *June 25, 2012* – The E&O Committee received a staff report on the District's dam safety program which included an update on Forebay Dam.
- *February 11, 2013* – The Board awarded a contract amendment to GEI Consultants Inc. to address FERC and DSOD directives on the 60% design review.
- *May 28, 2013* – The Board awarded a professional services agreement to AECOM for preparation of an Environmental Impact Report, Environmental Assessment, and FERC License Amendment Application and authorized funding for staff time and environmental services.
- *March 10, 2014* – The Board received a project update and review of the Final Environmental Impact Report
- *March 24, 2014* – The Board certified Final Environmental Impact Report, Adopted of Findings of Fact, Adopt A Statement of Overriding Considerations, and Approved the El Dorado Forebay Dam Modification Project
- October 14, 2014 – The Board adopted the 2015 – 2019 Capital Improvement Plan, that included this project, subject to funding availability.

Board Policies (BP), Administrative Regulations (AR), and Board Authority:

BP 5010: The Board is committed to provide a water supply based on the principles of reliability, high quality, and affordability in a cost-effective manner with accountability to the public. It is the General Manager's responsibility to ensure that the tenets of this policy are carried out in an open, transparent manner through sound planning, to assure preparedness under varying conditions, and effective management.

BP 8010: The District maintains and operates its hydroelectric generating facilities in a safe, efficient, and environmentally responsible manner, and in compliance with all applicable federal and state permits and regulations, the terms of the Federal Energy Regulatory Commission license, and all related agreements. Hydroelectric power generation shall be compatible with the District's consumptive water supply operations.

AR 8014: Priority of the Dam Safety Program: The District shall maintain a dam safety program to safeguard the public, the environment, and its hydroelectric facilities. This will be facilitated through the Owner's Dam Safety Program (ODSP), as required by the Federal Energy Regulatory Commission; applicable to the District's high and significant hazard potential dams.

The ODSP shall assure that dam safety is of the highest priority within the District's organization through: acknowledging dam safety responsibilities; promoting internal communication throughout the organization; clearly designating responsibility for maintaining dam safety; allocating adequate resources to dam safety; and continual learning in dam safety.

Summary of Issue:

The Forebay Dam Modifications Project's (Project) primary purpose is to comply with specific public safety regulatory mandates issued to the District by the California Department of Water Resources, Division of Safety of Dams (DSOD) and the Federal Energy Regulatory Commission (FERC). The Project will also significantly improve emergency water supply and power generation income.

Additional engineering and environmental requirements have arisen as well as an extended permitting period.

Staff Analysis/Evaluation

The Project design is substantially complete and the District has received DSOD and FERC approval of the 100% design package. FERC, in their design approval, included a requirement that the District develop a Temporary Construction Surveillance and Monitoring Plan. This is a mitigatory requirement to further safeguard the facility and public safety with dam construction occurring while the reservoir remains in operation. Other additional work includes repair of the 14-Mile Tunnel (the inlet tunnel to Forebay reservoir) downstream portal. Following the September 2014 collapse of the Esmeralda Tunnel, the District and GHD (formerly Carlton Eng.) inspected the 14-mile tunnel on October 1st as part of an overall tunnel condition assessment. The tunnel was found to be in generally good condition except for the downstream portal, which is in distress and requires repair. The Project, as currently designed, will effectively extend the existing tunnel to the reservoir inlet. Integrating the tunnel repair work into the Project will save the District significant money as compared to remediating the tunnel as a stand-alone project. Therefore, it is in the District's interest to amend the project design to

include this work. Additionally, further research and consultation work is required to select a qualified gate manufacturer to supply both the domestic intake and penstock control gate required for the Project. The District and GEI intend to prepare a request for proposal to select a manufacturer and gate type which will meet the service duty required for the specific and challenging retrofit applications. The total additional design services for all of these required items are estimated to be $144,300.

Easement negotiations have progressed and have resulted in the need to survey and record an easement expansion. The anticipated costs for these efforts are approximately $16,000.

Environmental Review:

Environmental review and permitting processes for the Project are progressing. The District completed California Environmental Quality Act (CEQA) review in March 2014. The District received the Clean Water Act Section 401 Water Quality Certification from the California State Water Resources Control Board (SWRCB) in April 2015. Ongoing environmental review and permitting activities include the Federal Energy Regulatory Commission (FERC) Project No. 184 license amendment and National Environmental Policy Act (NEPA) review, the U.S. Army Corps of Engineers (USACE) Clean Water Act Section 404 Nationwide Permit, CalFire Timberland Conversion Permit and Timber Harvest Plan, National Historic Preservation Act consultation with the California State Historic Preservation Officer (SHPO), and Endangered Species Act consultation with the U.S. Fish and Wildlife Service. Table 1 below provides a description of the ongoing environmental processes.

Table 1: Ongoing Environmental and Permitting Activities

Agency	Work Description
FERC	Support license amendment and NEPA processes as necessary
USACE	Develop Permittee-Responsible Wetland Mitigation Plan as required to complete USACE Nationwide Permit process
CalFire	Revise CalFire Timberland Conversion Permit and Timber Harvest Plan to meet application requirements of new regulations
SHPO	Conduct additional field investigations to evaluate if Construction Camp B is an eligible historic property
CDFW	Conduct rare plant surveys in the Project area and consult with California Department of Fish and Wildlife for Incidental Take Authorization if state listed rare plants are found and cannot be avoided
SWRCB	Prepare water quality monitoring plans required by SWRCB in the Water Quality Certification for the Project

The total estimated cost for these required additional environmental services are $131,250.

Project Schedule:

The Project permitting phase has increased by one-year due to the FERC permitting process. Staff is working closely with the FERC to move the process forward.

The forecasted project schedule is as follows:

- *Design*: Ongoing refinements through January 2016
- *Environmental:* Ongoing through Spring 2016
- *Contractor Prequal:* Winter-spring 2016
- Bidding: Summer 2016
- *Construction:* Fall 2016 through 2018

Funding

The total estimated funding in the 2015 CIP was $17.8M. Project costs will be updated based upon the planned design/permitting work and construction cost inflation. The Project will be funded through water FCCs (53%) and water rates (47%). Construction will be financed through a bond sale as stated in Resolution No. 2014-021 related to the District's Intention to Issue Tax Exempt Obligations dated September 8, 2014 and to be issued in the 1st quarter of 2016.

At this time, the total amount of funding being requested is $421,416 including anticipated consulting services and capitalized labor for project management for the extended design/permitting scope and duration reviewed above.

Table 2 – Funding Request

Description	Cost
Design services	$144,300
Environmental services	131,250
Capitalized labor	157,905
Easement acquisition	16,000
Remaining funding	(28,039)
Total required	**$421,416**

Additional funding may be required in the future to implement conditions specified in the pending authorizations. Because the specific conditions associated with these pending authorizations are not known at this time, staff anticipates returning to the Board for authorization once these permits are received and additional requirements, if any, are identified.

The last update to the budget forecast was performed in 2014 by GEI Consulting as reflected in the 2015 CIP. The forecast split the total funding evenly across 2016 and 2017 at $8.9M in each year. With the anticipated bidding in summer 2016 and construction starting in fall 2016 through

2018, it is now forecasted that the majority of the money budgeted for 2016 will be deferred to 2017 and 2018. Staff is in the process of reformulating the construction schedule, and Engineering and Finance staff will continue to work together with the timing of the Project bidding and bond issuance in the upcoming year.

Board Decisions/Options:

1. Authorize $421,416 in additional funding for design and environmental work for the Forebay Dam Modification Project.
2. Take other action as directed by the Board.
3. Take no action.

Staff/General Manager's Recommendation:

Option 1

Jake Eymann, P.E.
Senior Civil Engineer
Water/Hydro Engineering Division

Brian Deason
Hydroelectric Compliance Analyst

Dan Corcoran
Environmental Division Manager

Brian Mueller, P.E.
Director of Engineering

Tom McKinney
Director of Operations

Mark Price
Director of Finance

Jim Abercrombie
General Manager

El Dorado Forebay Modification Project Update and Funding Request

Action Item

June 22, 2015

Previous Board Actions

- *July 21, 2003* – Staff briefed the Board on stability concerns raised by DSOD
- *July 7, 2004* – The Board awarded a contract to GEI Consultants Inc. (GEI) to conduct a geotechnical investigation/stability analysis
- *September 11, 2006* – The Board awarded a contract to GEI to prepare the *Alternatives Evaluation*

Previous Board Actions

- *May 24, 2010* – The E&O Committee received a staff report on the District's dam safety program and Forebay Dam
- *January 24, 2011* – The Board authorized staff to proceed with design/environmental analysis for the rehabilitation/enlargement of Forebay
- *February 27, 2012* – The Board awarded a design contract amendment

Previous Board Actions

- *June 25, 2012* – The E&O Committee received a staff report on the District's dam safety program and update on Forebay Dam
- *February 11, 2013* – The Board awarded a design contract amendment to GEI to address FERC and DSOD directives on the 60% design

Previous Board Actions

- *May 28, 2013* – The Board awarded a professional services agreement to AECOM for preparation of an Environmental Impact Report, Environmental Assessment, and FERC License Amendment Application and authorized funding for staff time and environmental services
- *March 10,2014* – The Board received a project update and review of the Final Environmental Impact Report

Previous Board Actions

- *March 24, 2014* – The Board certified Final Environmental Impact Report, Adopted of Findings of Fact, Adopt A Statement of Overriding Considerations, and Approved the El Dorado Forebay Dam Modification Project
- October 14, 2014 – The Board adopted the 2015 – 2019 Capital Improvement Plan, that included this project, subject to funding availability

Board Policies

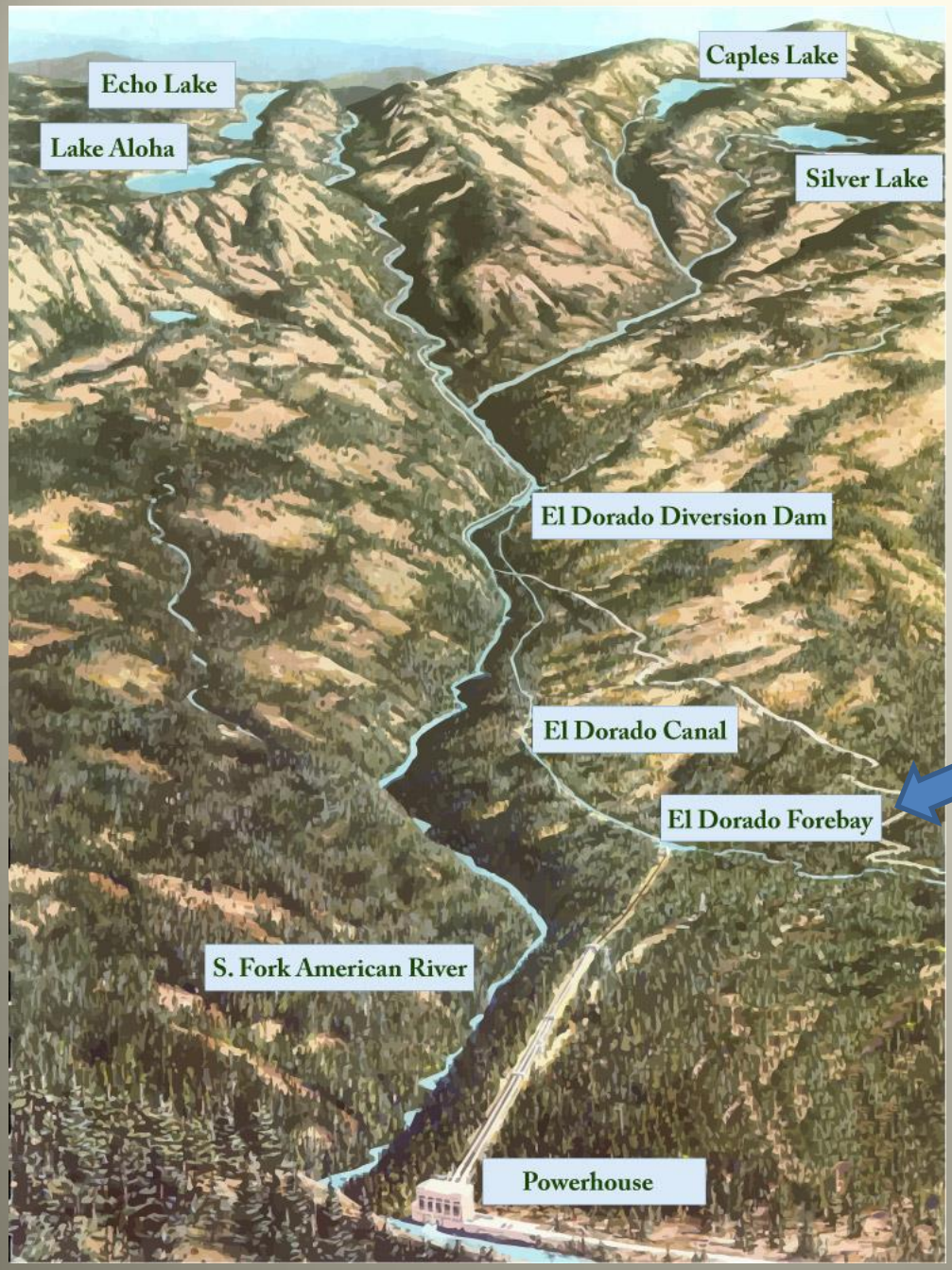
- **BP 5010:** The Board is committed to provide a water supply based on the principles of reliability, high quality, and affordability in a cost-effective manner with accountability to the public. It is the General Manager's responsibility to ensure that the tenets of this policy are carried out in an open, transparent manner through sound planning, to assure preparedness under varying conditions, and effective management.

- **BP 8010:** The District maintains and operates its hydroelectric generating facilities in a safe, efficient, and environmentally responsible manner, and in compliance with all applicable federal and state permits and regulations, the terms of the Federal Energy Regulatory Commission license, and all related agreements. Hydroelectric power generation shall be compatible with the District's consumptive water supply operations.

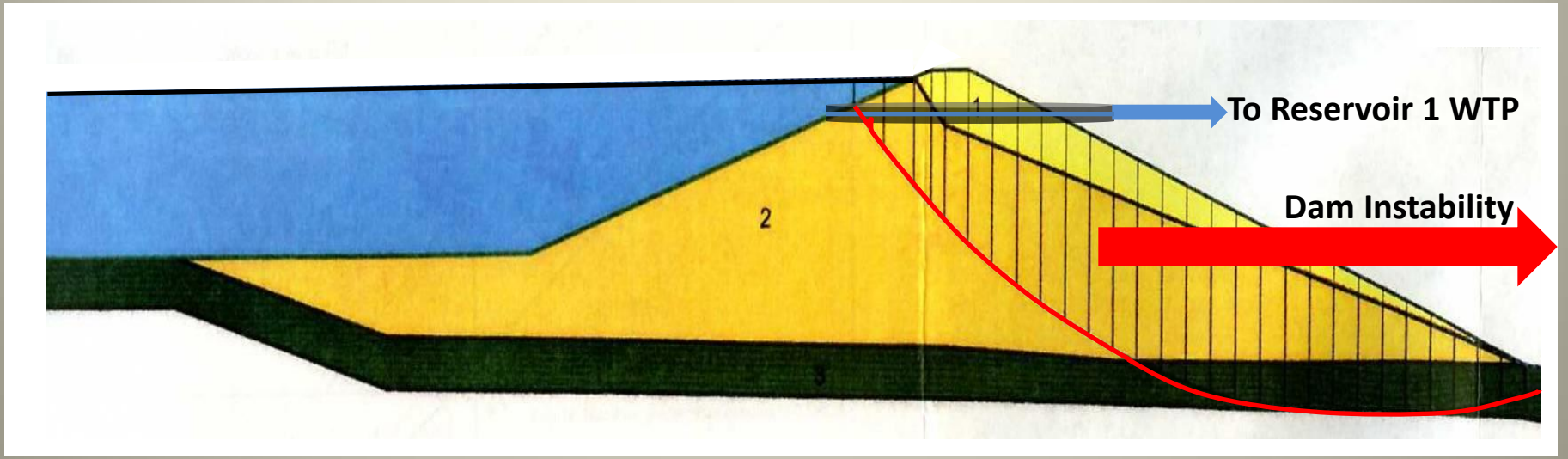
Board Policies

- **AR 8014: Priority of the Dam Safety Program:** The District shall maintain a dam safety program to safeguard the public, the environment, and its hydroelectric facilities. This will be facilitated through the Owner's Dam Safety Program (ODSP), as required by the Federal Energy Regulatory Commission
- The ODSP shall assure that dam safety is of the highest priority within the District's organization

Reservoir Setting

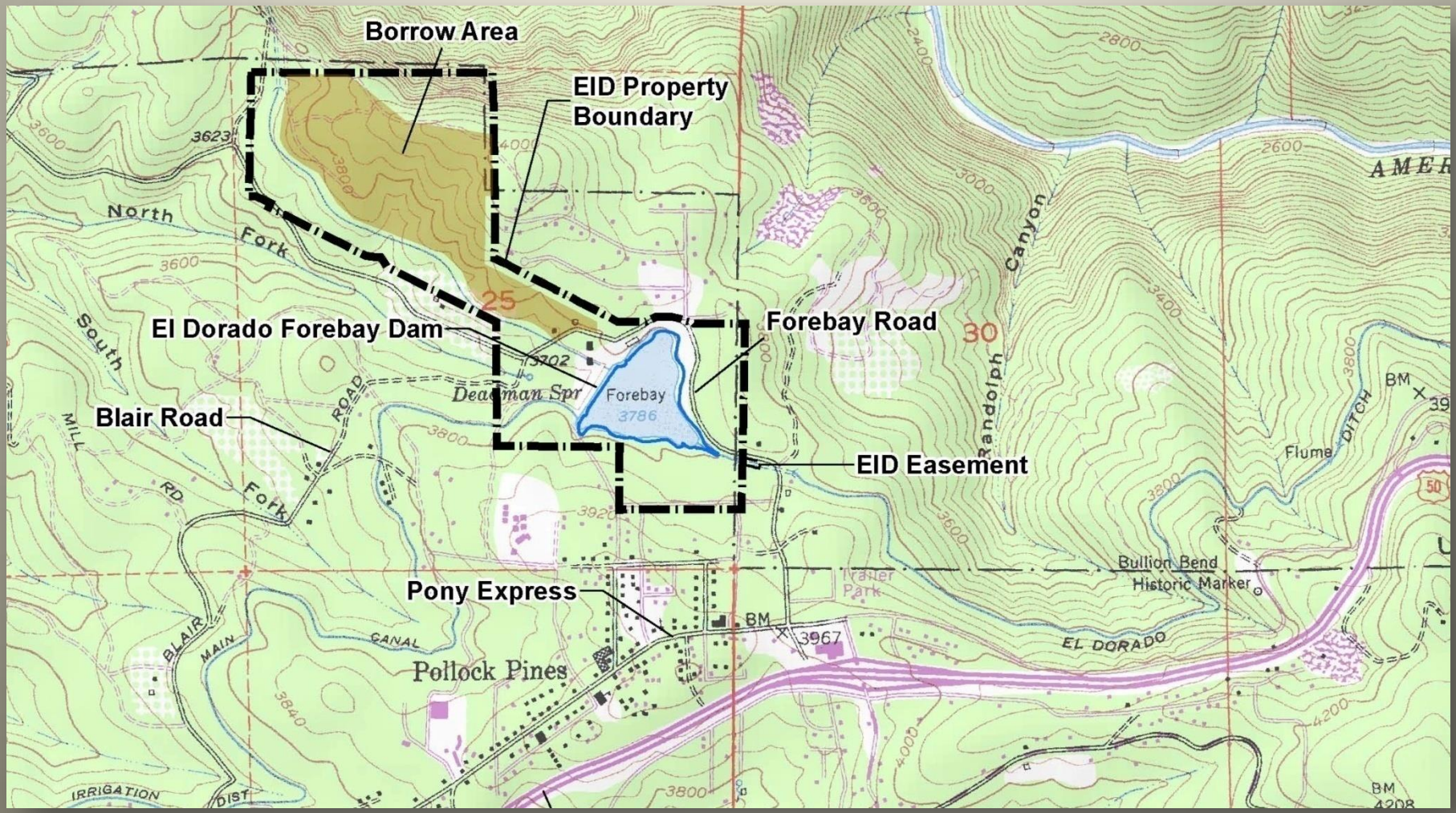


Deficient Stability and Freeboard



- Joint FERC/DSOD reservoir level restriction
  - Reduces storage available to Reservoir 1 WTP
  - Reduces power generation revenue
  - Presents operational difficulties

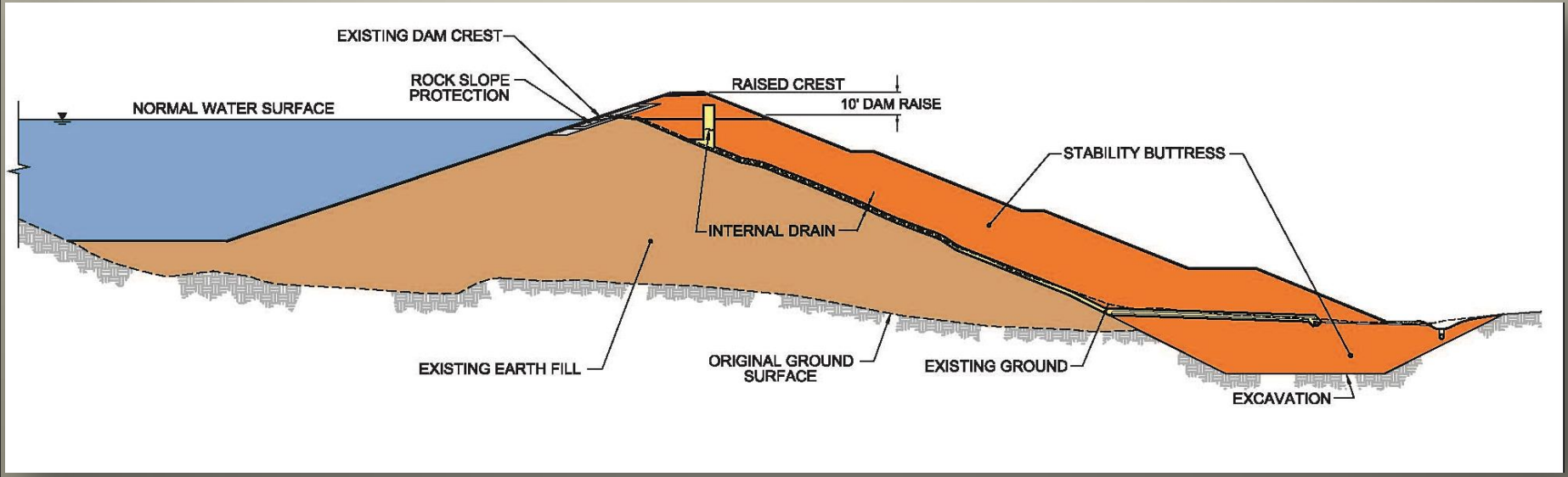
Project Location



Project Objectives

- Maintain public safety by protecting life and property residing below the dam
  - Comply with state and federal dam safety mandates
- Benefit existing customers
  - Improve reliability of the drinking water system
  - Optimize renewable hydroelectric generation

Dam Stability Buttress



Recent Progress

- Received DSOD and FERC approval of 100% design
- Received the State Water Resources Control Board (SWRCB) 401 Water Quality Certification

Additional Required Work

- FERC requires additional construction surveillance (TCSMP)
- Changes in gate manufacturing requires further gate design and consultation
- Discovery of failed section of 14-Mile Tunnel requires remediation

Additional Required Work

14-Mile Tunnel

Failed Concrete wall

Additional Required Work

- Army Corps requires wetland mitigation plan
- CalFire code changes require revisions to Timber Harvest and Conversion Plans
- State Historic Preservation Officer requires additional evaluation of Camp B
- Discovery of rare plants require additional plant surveys for CA Fish and Wildlife
- SWRCB requires water quality monitoring plans

Funding Requirements

Description	Cost
Design services	$144,300
Environmental services	131,250
Capitalized labor	157,905
Easement acquisition	16,000
Remaining funding	(28,039)
Total required	$421,416

Schedule

- Added design work through 2015
- Environmental review and permitting through Spring 2016
- Contractor prequalification early 2016
- Bidding summer 2016
- Construction 2016 – 2018

Board Options

1. Authorize $421,416 in additional funding for design and environmental work for the Forebay Dam Modification Project.
2. Take other action as directed by the Board.
3. Take no action.

Staff and General Manager Recommendation

- Option 1

ACTION ITEM NO. 9
June 22, 2015

EL DORADO IRRIGATION DISTRICT

SUBJECT:

Consideration of a Purchase and Sale Agreement and Joint Escrow Instructions for the sale of the Blakeley Reservoir real property to Walker Land Company.

Board Action:

- August 27, 2012 – Board approved a not-to-exceed $64,432 on-call contract amendment to GEI Engineering for design of the Blakeley Dam Outlet Remediation Project and approved total funding of $277,559 for the project, CIP Project No. 09006E.
- September 9, 2013 – Board waived a contractual requirement that Apple Mountain, L.P. take water from Blakeley Reservoir as its primary source of non-potable water, and directed staff to pursue a point of rediversion of its Blakeley Reservoir water rights at Folsom Reservoir.
- October 14, 2014 – Board adopted the 2015-2019 Capital Improvement Plan.
- February 9, 2015 – Board adopted Resolution No. 2015–006, declaring the Blakeley Reservoir real property to be surplus to District needs.

Board Policies (BP), Administrative Regulations (AR), and Board Authority:

Water Code section 22500 authorizes the conveyance of District property when the Board determines by resolution that the property is no longer necessary for District purposes.

Government Code sections 54200 – 54232 require the District to first offer to sell or lease most surplus properties to certain government agencies, for specified purposes.

BP 3050 states that the District will be run in a fiscally responsible and prudent manner.

Summary of Issue:

Recognizing that the Blakeley Reservoir property currently serves no District purpose, but might have value to another owner, earlier this year the Board declared the property surplus to the District's needs, so that the possibility of a property sale could be explored. District staff has completed all legal prerequisites to offering the property to private parties and solicited and received purchase offers. We now recommend that the Board approve a Purchase and Sale Agreement and Joint Escrow Instructions to sell this property to Walker Land Company, and authorize the General Manager to execute the agreement and to take all other necessary actions, upon General Counsel's approvals as to form, to effectuate the sale.

Staff Analysis/Evaluation:

Background Information
Blakeley Reservoir and the property that surrounds it is a vestige of El Dorado County's mining history and of the District's ditch system. Beginning in the 1870s, the reservoir was fed by the Main Ditch and springs rising on the property. It was used as a regulating reservoir to feed a network of ditches supplying water for mining, irrigation, and other uses in Camino, Placerville, and surrounding areas. In all, the Blakeley Reservoir property comprises approximately 35.83 acres of land, including the reservoir (about 25 acres), on three legal parcels. The dam and reservoir are the only significant permanent improvements on the property, which features rolling topography, heavy vegetation, proximity to Carson Road, private road access, and visibility from westbound U.S. 50.

With the decommissioning of the ditch system in past decades, Blakeley Reservoir's usefulness diminished. It is no longer fed by the Main Ditch or the District's piped system; the springs on the property provide inflow for the reservoir.

Under a 20-year agreement reached with the District in 2001, Apple Mountain L.P. is supposed to pump water from Blakeley Reservoir as its primary non-potable water source for the adjoining Apple Mountain golf course development. Although Apple Mountain installed pumps for this purpose years ago, they have not been used and Apple Mountain now maintains the legal position that it does not own the pumps or have any obligation to use them. The current spring-fed supply for Blakeley would be insufficient to meet Apple Mountain's needs in any event.

Further, the outlet works at Blakeley Dam are aged and dilapidated. The District is unable to safely cycle the outlet valve annually, as required by the state Division of Safety of Dams (DSOD). Also, the outlet conduit is degraded and there is a risk of erosion in the outlet channel.

Based on Board actions in 2012 and 2013, the District was on a course to repair the Blakeley Dam outlet works, and add the associated water right as an authorized source of Folsom Reservoir water supplies under its Ditch/Weber Warren Act Contract (having waived the contractual requirement with Apple Mountain). These activities would be costly, however, and provide a limited benefit to the District. Meanwhile, the District had obtained a temporary exemption from DSOD's annual valve operation requirement, and had met DSOD's deadlines for a repair schedule and submission of design drawings. The District's 2015-2019 Capital Improvement Plan anticipated construction of the dam repairs in 2015, and programmed $1.4 million in total costs.

Surplus Declaration and Solicitation of Offers
In 2014 and 2015, several private parties contacted District staff to express interest in the possibility of acquiring the property. Staff and the Board recognized that it may be more advantageous for the District to avoid the projected $1.4 million costs associated with the dam repair and repurposing of the water right by disposing of the property.

In contrast to the District, a private owner might be able to address the dam issues very inexpensively. A private owner would not be not subject to prevailing wage requirements or the California Environmental Quality Act, and could reasonably expect to encounter less exacting regulatory requirements and public expectations with respect to the dam and reservoir. These factors could expand a private owner's available options and lower their costs for addressing the dam's shortcomings, making the Blakeley property considerably more valuable to them than in the District's hands. This disparity in value offered the potential to negotiate a mutually advantageous transaction.

The Board therefore adopted Resolution No. 2015-006 on February 9, 2015, declaring the Blakeley property surplus to the District's needs, so that the option of sale to a private owner could be fully explored. The Board's action authorized but did not require a sale. If no mutually acceptable sale could be arranged, staff would resume the dam work and water right activities previously authorized by the Board.

After the Board's surplus declaration, staff offered the property first to El Dorado County (for affordable housing or parks and recreation/open space purposes) and to the state Resources Agency (for parks and recreation/open space purposes), as required by statute. The County formally declined any interest, and the Resources Agency allowed its 60-day response period to lapse without action. General Counsel also commissioned an appraisal report to provide confidential parameters for negotiation.

With these tasks completed, the District issued a Request for Proposals (RFP) to purchase the Blakeley property on May 1, 2015. The RFP disclosed information about the property, with an emphasis on access, water rights, the reservoir, and the dam and outlet works. Addenda to the RFP extended the initial response deadline and provided additional information, including extensive documentation regarding the dam and outlet works. The RFP specified that the District required purchase of the entire property, including the reservoir and water rights, in "as-is" condition, and provided a form Purchase and Sale Agreement and Joint Escrow Instructions for review. Terms were to be all cash, with escrow closing as soon as possible in 2015. Evaluation criteria for proposals were: responsiveness to the RFP, purchase price, and purchase terms and conditions.

Recommended Offer

The District received three proposals by the extended June 10 deadline, from Walker Land Company (Attachment A), Mark and Stacia Thiessen, and Jerry Visman. The Visman proposal was not responsive to the RFP's requirement that the property be accepted in "as-is" condition: it offered one price if the District first drained Blakeley Reservoir, and a second price if the District first repaired the dam and outlet works.

Of the two remaining proposals, the Walker Land Company proposal offered a higher purchase price ($51,000 versus $12,349), the highest non-refundable deposit ($10,000 versus $1,000), and the best terms on transaction costs (buyer bears all costs). It also offered a close of escrow within 21 days of the end of the buyer's "due diligence" period, which extends for a maximum of 60 days.

Staff believes that the Walker Land Company proposal is in the District's best interests, and therefore recommends this offer. Although the purchase price might seem low, it is reflective of the dam issues any owner of this property must face, and selling the property relieves the District of that obligation. Considered in this light, acceptance of this proposal will benefit the District by avoiding a $1.4 million capital cost that is part of the 2015-2019 Capital Improvement Plan, and by providing $51,000 of one-time revenue.

To match the form Purchase and Sale Agreement and Joint Escrow Instructions with Walker Land Company's offer, General Counsel has filled in blanks, made proofreading corrections, and modified the first recital and Articles 2.c., 4, and 14.d. (see Attachment B). Staff recommends that the Board approve this agreement, authorize the General Manager to execute it, and also authorize him to take all other necessary actions to effective the sale, subject to General Counsel's approval as to form.

The District must comply with California Environmental Quality Act (CEQA) requirements for the sale of the Blakeley property. Staff has determined that the proposed transaction falls within a Class 12 CEQA Categorical Exemption for the sale of surplus government lands (CEQA Guidelines § 15312), and that the project does not trigger any exceptions to this exemption (see CEQA Guidelines §15300.2). If the Board ultimately approves the purchase and sale agreement, staff will prepare and file a Notice of Exemption from CEQA with the El Dorado County Recorder-Clerk's office.

Board Decisions/Options:

Option 1: Approve a Purchase and Sale Agreement and Joint Escrow Instructions to sell the Blakeley Reservoir surplus property to Walker Land Company; authorize the General Manager to execute the agreement and take all other necessary actions, upon approval as to form by General Counsel, to effectuate the property sale.

Option 2: Take other action as directed by the Board.

Option 3: Take no action *(staff will resume its pursuit of dam repair and rediversion of the water rights at Folsom Reservoir).*

Staff/General Manager's Recommendation:

Option 1.

Attachments:

A. Walker Land Company Proposal
B. Purchase and Sale Agreement and Joint Escrow Instructions

Thomas D. Cumpston
General Counsel

Jim Abercrombie
General Manager

Proposal for Purchase Property by

Walker Land Company
2795 E Bidwell St 100-137
Folsom Ca 95630
www.walkerlandcompany.com
530-748-5530

-Purchase offer for the Blakeley Reservoir property consisting of three parcels (APNs 043-030-11, 043-030-12, and 048-160-04) This included the Dam, Reservoir and Water Rights.
-Purchase Price to be 51,000, All Cash
-Proof of Funds Attached
- Escrow to be with Inter County Title
-Close of Escrow shall be 21 days from acceptance
-An Earnest Money NON REFUNDABLE deposit of 10,000 will be made at time of acceptance, with the balance due within 21 days
-All Escrow Fees and Title Insurance to be paid for by Walker Land Company.
-Purchase is to be "As Is" (this includes reservoir dam and outlet works)
-Vesting shall be made to Walker Land Company
-No Changes to District Proposed Purchase and Sale Agreement and Joint Escrow Instructions

Walker Land Company is an experienced real estate investment company and is looking forward to the purchase of the Blakely Reservoir and will execute the terms proposed in a prompt fashion without any time delays. Please visit our website to learn more about us.

Chris Baldivid
President
Walker Land Company 2795 E Bidwell St 100-137
Folsom Ca 95630
530-748-5530

PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

This Purchase and Sale Agreement and Joint Escrow Instructions ("Agreement") is made as of June ____, 2015 (the "Effective Date"), between El Dorado Irrigation District, a California special district ("Seller"), and Walker Land Company, a _____ ("Buyer").

RECITALS

Seller owns the improved real property commonly known as Blakeley Reservoir Property, consisting of approximately 35.83 acres identified as El Dorado County Assessor's Parcel Numbers 043-030-11, 043-030-12, and 048-160-04 and including Blakeley Reservoir, its dam and outlet works, and a right to store water in Blakeley Reservoir identified by Statement of Water Diversion and Use No. S022082 as filed with the State Water Resources Control Board (collectively, "Property").

Seller wishes to sell and Buyer wishes to buy the Property on the terms and conditions stated herein.

NOW, THEREFORE, the parties agree as follows:

ARTICLE 1. PURCHASE AND SALE OF PROPERTY

Seller shall sell the Property to Buyer and Buyer shall purchase the Property from Seller on the terms and conditions stated in this Agreement.

ARTICLE 2. PURCHASE PRICE, LIQUIDATED DAMAGES, DEPOSIT

a. Purchase Price. The purchase price for the Property shall be $51,000.00 (Fifty-One Thousand Dollars) cash, due and payable at the Close of Escrow.

b. Liquidated Damages. The Parties agree that $10,000.00 (Ten Thousand Dollars) is a reasonable sum for liquidated damages should this transaction fail to close due to a material breach of this Agreement by Buyer, in that, when considering all the circumstances existing on the date of this Agreement, it would be impracticable or extremely difficult to fix the actual damages. By placing their initials at the places provided, each party agrees that the foregoing constitutes liquidated damages and not a forfeiture or penalty.

_____ _____

c. Earnest Money Deposit. Concurrent with dispatch of its Notice of Due Diligence Approval specified in Article 5.b. hereof, Buyer shall make a non-refundable $10,000.00 cash earnest money deposit into escrow.

ARTICLE 3. ESCROW AND CLOSING

This transaction shall be completed through an escrow established with Inter-County Title Company. Each party shall promptly deposit all funds and documents as required by the escrow holder to complete this transaction. Seller shall deliver a signed counterpart of this Agreement to the escrow holder as escrow instructions. In the event of any conflict between the terms and conditions of this Agreement and the standard conditions for acceptance of escrow, the terms and conditions of this Agreement shall control. Escrow shall close on or before 21 days after Buyer gives the Notice of Due Diligence Approval specified in Article 5.b. hereof ("Close of Escrow").

ARTICLE 4. CLOSING COSTS AND PRORATIONS

Seller shall pay any transfer taxes on recordation of the deed. Buyer shall pay all escrow fees, all recording fees, and the premium for the title insurance policy referred to in Article 7 hereof. Prorations of real property taxes and assessments, rents, interest, and other expenses of the Property shall be prorated as of the date of recordation of the deed.

ARTICLE 5. BUYER'S DUE DILIGENCE

a. Due Diligence Deliveries by Seller. Seller has made or shall make available to Buyer for Buyer's review, within ten (10) business days from the Effective Date, all reports, studies, drawings, or analyses relating to the Property, including without limitation, geotechnical, environmental, architecture, surveys, appraisals, or engineering studies reports, if such documents are within the possession of Seller, or are reasonably available to Seller ("Due Diligence Materials").

b. Buyer's Right to Conduct Due Diligence. The "Due Diligence Period" means the period beginning on the Effective Date and ending at 5:00 p.m. on the date sixty (60) days later. During the Due Diligence Period, Buyer shall have the right to inspect and approve all Due Diligence Materials and all physical, environmental, legal and any other matters relating to the Property (including zoning, and use and similar public agency or governmental conditions or approvals with respect to the ownership, operation and use of the Property) as Buyer may, in Buyer's judgment, elect to investigate at Buyer's cost ("Due Diligence Investigation"); and, during the Due Diligence Period, Buyer shall be permitted to make complete physical, environmental, legal and other inspections of the Property (at Buyer's cost) and to make and remove copies of any and all records and files regarding the Property; provided, however, neither Buyer nor any agent or consultant acting on behalf of Buyer shall conduct any Phase II environmental testing, boring, or other entry or disturbance of any sort on the Property without prior notice to and written consent from Seller, which consent shall not be unreasonably withheld. If Buyer, in Buyer's sole and absolute discretion, is satisfied with all the Due Diligence Materials and all of the inspections or investigations that Buyer elects to undertake as described above, Buyer shall give written notice of such satisfaction to Seller prior to the end of the Due Diligence Period ("Notice of Due Diligence Approval"). If Buyer does not provide a Notice of Due Diligence Approval, the condition of the Property shall be disapproved and, except as otherwise provided, this Agreement shall terminate.

c. Access to Information and the Property. In addition to the Due Diligence Materials delivered to Buyer pursuant to subdivision a., Buyer and its representatives shall have the right of access during reasonable business hours to all files, books and records maintained by Seller or its agents, wherever located, relating to the Property, including the right to copy the same. Buyer and its representatives shall also have the right of access to the Property during reasonable business hours to conduct its investigation of the physical condition of the Property. Seller agrees that the rights granted to Buyer herein and the results of its Due Diligence Investigation shall not relieve Seller of any obligations Seller may have under any other provisions of this Agreement, or under other documents entered into concurrently herewith, or implied by law, nor shall they constitute a waiver by Buyer of the right to enforce any of the same. Seller shall cooperate with Buyer in its due diligence activities and provide access to the Property, its records, or provide information so long as it is within Seller's control.

Access to the Property during the Due Diligence Period shall be given to Buyer, its agents, employees, or contractors during reasonable business hours upon at least one (1) business day's notice to Seller, at their own cost and risk, for any purposes, including, but not limited to, inspecting the Property, taking samples of the soil, and conducting an environmental audit (including an investigation of past and current uses of the Property). Buyer shall indemnify and defend Seller against and hold Seller harmless from all losses, costs, damages, liabilities, and expenses, including, without limitation, reasonable attorney's fees arising out of Buyer's entry onto the Property or any activity thereon by Buyer or its agents, employees, or contractors prior to the Close of Escrow except to the extent any such losses, costs, damages, liabilities, and expenses arise out of the gross negligence or willful acts of Seller. The indemnification, release, and hold-harmless provisions of this subdivision shall survive the Close of Escrow.

Buyer and its agents, employees, or contractors shall also have the right, from the Effective Date until the Close of Escrow, to contact any federal, state, or local governmental authority or agency to investigate any matters relating to the Property. Seller agrees to cooperate reasonably with Buyer and its agents, employees, or contractors in Buyer's Due Diligence Investigation.

ARTICLE 6. CONDITIONS PRECEDENT

a. Buyer's Conditions. Buyer's obligation to purchase the Property shall be subject to and contingent upon the satisfaction or written waiver of the following:

(i) Buyer shall order a preliminary title report of the Property ("Title Report") and shall have the opportunity to review and approve during the Due Diligence Period such Title Report, together with a copy of each of the documents noted as exceptions in the Title Report pursuant to Article 7 of this Agreement.

(ii) Buyer's review and approval (as being in compliance with this Agreement) of the Deed and Non-Foreign Certificate, Resident Certificate.

(iii) Seller's performance of all obligations under this Agreement.

(iv) The truth and accuracy of each of Seller's representations, warranties, and covenants as set forth in Article 10 of this Agreement, as of the Close of Escrow.

b. Seller's Conditions. Seller's obligation to sell the Property shall be subject to and contingent upon, to Seller's sole satisfaction:

(i) Buyer shall have delivered the Notice of Due Diligence Approval to Seller prior to the end of the Due Diligence Period.

(i) Buyer's performance of each and every covenant required to be performed by Buyer hereunder on or before the Close of Escrow; and

(iii) The truth and accuracy of each of Buyer's representations, warranties, and covenants as set forth in Article 10 of this Agreement, as of the Close of Escrow.

ARTICLE 7. TITLE REVIEW

a. Monetary Liens. At its expense, Seller shall remove as liens on the Property at or prior to the Close of Escrow (collectively, "Monetary Liens"): (i) all delinquent taxes, bonds and assessments and interest and penalties thereon (it being agreed that Seller shall not be required to remove any non-delinquent taxes and assessments imposed by any governmental agency that are paid with the property taxes for the Property); and (ii) all other monetary liens, including without limitation all those shown on the Title Report (including judgment and mechanics' liens, whether or not liquidated, and mortgages and deeds of trust, with Seller being fully responsible for any fees or penalties incurred in connection therewith).

b. Approval/Disapproval of Title Review. Buyer shall approve or disapprove of the Title Report, the Survey and any exceptions to title shown thereon (other than the Monetary Liens) in the exercise of Buyer's sole discretion, by the expiration of the Due Diligence Period. If Buyer disapproves, Buyer may either (a) terminate this Agreement by giving Seller written notice of termination or (b) give Seller a written notice ("Disapproval Notice") identifying the disapproved title matters ("Disapproved Title Matters"). With respect to any Disapproved Title Matters, other than the Monetary Liens, Seller shall notify Buyer in writing within five (5) days after Seller's receipt of the Disapproval Notice whether Seller will cause the Disapproved Title Matters to be removed or cured at or prior to Close of Escrow. If Seller elects not to remove or cure all Disapproved Title Matters, Buyer may, at its option: (i) subject to satisfaction of the other conditions to Close of Escrow, close the purchase of the Property and take title subject to the Disapproved Title Matters which Seller elects not to remove or cure; or (ii) terminate this Agreement in accordance with Article 14.

c. Buyer's Options. If any Disapproved Title Matters (including the Monetary Liens) have not been removed at least five (5) days prior to Closing or provision for their removal at the Closing has not been made to Buyer's satisfaction, Buyer may, at its option: (i) close the purchase of the Property and take title subject to the Disapproved Title Matters which have not been removed; (ii) close the purchase of the Property and cure or remove the Disapproved Title Matters which not been removed. Buyer may credit the costs of such cure or removal against the Purchase Price by reducing the amount of cash payable by Buyer at the Closing, but only to the extent such costs are expended to remove (A) Monetary Liens referred to in Article 7.a. or (B) Disapproved Title Matters which Seller agreed to remove; or (iii) terminate this Agreement in accordance with Article 14.

ARTICLE 8. CLOSING CONDITIONS

a. The willingness of Title Company to issue, upon the sole condition of the payment of its regularly scheduled premium, an ALTA Owner's policy of title insurance, with such endorsements as Buyer may reasonably require (collectively, the "Title Policy"), insuring Buyer that fee simple title to the Real Property is vested in Buyer as of the Close of Escrow, subject only to the standard printed conditions and exceptions and any other exceptions which Buyer expressly approves in writing.

b. In the event that the Closing Condition described above in subdivision a. has not been satisfied or waived in writing by Buyer prior to the Close of Escrow, this Agreement shall terminate upon written notice of termination delivered by Buyer to Seller, as appropriate, whereupon, provided Buyer shall not then be in default thereunder, this Agreement and all rights and obligations of Buyer and Seller under this Agreement shall be at an end.

ARTICLE 9. CLOSE OF ESCROW

a. Seller's Deliveries into Escrow. Prior to the Close of Escrow, Seller shall deliver to the Escrow the following (all documents shall be duly executed by Seller and shall be acknowledged where required):

(i) A deed to the Real Property (the "Deed");

(ii) Seller's written escrow instructions to close Escrow in accordance with the terms of this Agreement; and

(iii) A Record of Survey in recordable form, delineating the boundaries of the portion of Assessor's Parcel Number 115-400-12 that is excluded from the Property; and

(iv) Any other documents reasonably necessary to close the transactions contemplated under the Agreement.

b. Buyer's Deliveries into Escrow. Prior to the Close of Escrow, Buyer shall deliver to the Escrow the following:

(i) All cash required by the terms of this Agreement to close Escrow, plus or minus closing adjustments and prorations;

(ii) Buyer's written instructions to close Escrow in accordance with the terms of this Agreement; and

(iii) Any other documents reasonably necessary to close the transactions contemplated under the Agreement.

c. Joint Deliveries into Escrow. Prior to the Close of Escrow, Buyer and Seller shall jointly prepare and deliver to the Escrow the following:

(i) State Water Resources Control Board, Division of Water Rights Change of Ownership Form; and

(ii) California Department of Water Resources, Division of Dam Safety Ownership Statement.

d. Escrow Holder's Duties. On the Close of Escrow, Escrow Holder shall effect the same by:

(i) Recording all documents as may be necessary to clear title in accordance with the requirements of this Agreement;

(ii) Recording the Deed and instructing the county recorder not to affix the amount of any documentary or transfer taxes to the Deed but to attach a separate statement to the Deed after recording;

(iii) Paying all closing costs and making all prorations in accordance with the terms of this Agreement and a statement of adjustments and prorations as approved by Buyer and Seller prior to the Close of Escrow;

(iv) Delivering to Buyer the Title Policy, Escrow Holder's certified closing statement, a certified copy of the Deed, Non-Foreign Certificate, Resident Certificate, and a copy (including a certified copy, where appropriate) of each of the loan documents, if any;

(v) Delivering to the appropriate agencies the documents specified in paragraph c., above; and

(vi) Delivering to Seller the Purchase Price, plus or minus closing adjustments and prorations, Escrow Holder's certified closing statement, and a certified copy of the Deed.

ARTICLE 10. REPRESENTATIONS, WARRANTIES AND COVENANTS

a. Seller's Representations, Warranties and Covenants. Seller hereby represents and warrants to Buyer as of the Effective Date (which representations and warranties shall be deemed remade by Seller as of the Close of Escrow) the following.

(i) Seller has full power and authority to enter into this Agreement and any other documents contemplated by this Agreement and to assume and perform all of Seller's obligations hereunder; the persons executing this Agreement and any other documents contemplated by this Agreement on behalf of Seller have been authorized and empowered to bind Seller thereto; and this Agreement is, and each instrument and document to be executed by Seller hereunder shall be, a valid, legally binding obligation of Seller enforceable against Seller in accordance with its terms;

(ii) Seller, within five (5) days following the Effective Date, shall deliver to Buyer such documentation as Buyer may require to evidence the matters set forth in Article 10.a.i. above, including without limitation as applicable resolutions or other official acts authorizing the transactions contemplated herein.

(iii) To the best of Seller's knowledge, there are no Hazardous Materials in, on, about, under or affecting the Property. For purposes of this Agreement, the term "Hazardous Materials" shall mean any toxic or hazardous materials or any other substance which constitutes, or is regulated as, a hazardous, extremely hazardous, toxic, extremely toxic or similarly dangerous material, substance or waste under the Comprehensive Environmental Response, Compensation and Liability Act or 1980, as amended, 42 U.S.C.A. §§ 6901 et seq. or the California Health & Saf. Code, Division 20;

(iv) To the best of Seller's knowledge there are no suits, proceedings, or actions, including without limitation any condemnation proceedings, pending or threatened against the Property or which would have a material effect on Seller's ownership of the Property;

(v) Except as disclosed in the Due Diligence Materials, Seller does not have actual knowledge of any condition of or relating to the Property, including conditions of adjacent or proximate properties and governmental actions which would materially impact Buyer's development of the Property;

(vi) All of the Due Diligence Materials which have been delivered or made available to Buyer pursuant to Article 5, and all other documents delivered to Buyer by or on behalf of Seller (a) are true, correct and complete copies of what they purport to be, (b) represent truly the factual matters stated therein, (c) are in full force and effect, (d) have not been modified, except as set forth therein and (e) do not omit any information required to make the submission thereof accurate and complete in all material respects;

(vii) Seller has good and marketable title to the Property, subject to Article 7 herein. There are no outstanding rights of first refusal or first look, options to purchase, rights of

reverter, or claim or right relating to the transfer or sale of the Property or any interest therein. To Seller's knowledge, there are no unrecorded or undisclosed documents or other matters which affect title to the Property. No person holding a security interest in the Property or any part thereof has the right to consent or deny consent to the sale of the Property as contemplated herein. Seller has enjoyed the continuous and uninterrupted quiet possession, use and operation of the Property;

(viii) Seller shall not permit any new liens, encumbrances, or easements to be placed on the Property, nor shall Seller enter into any agreement regarding any matter affecting the Property that would be binding on Buyer or the Property after the Close of Escrow without Buyer's prior written consent; and

(ix) Seller shall not permit any act of waste or act that would tend to diminish the value of the Property for any reason, ordinary wear and tear excepted, prior to the Close of Escrow.

b. Buyer's Representations, Warranties and Covenants. Buyer hereby represents and warrants to Seller as of the Effective Date (which representations and warranties shall be deemed remade by Buyer as of the Close of Escrow) the following.

(i) Buyer has full power and authority to enter into this Agreement and any other documents contemplated by this Agreement and to assume and perform all of Buyer's obligations hereunder; the persons executing this Agreement and any other documents contemplated by this Agreement on behalf of Buyer have been authorized and empowered to bind Buyer thereto; and this Agreement is, and each instrument and document to be executed by Buyer hereunder shall be, a valid, legally binding obligation of Buyer enforceable against Buyer in accordance with its terms;

(ii) Buyer, within five (5) days following the Effective Date, shall deliver to Seller such documentation as Seller may require to evidence the matters set forth in Article 10.b.i. above, including without limitation as applicable resolutions or other official actions authorizing the transactions contemplated herein;

(iii) Buyer shall retain all necessary professionals and other consultants as Buyer deems necessary and Buyer shall make and conduct all such physical and other investigations, whether through its own employees or through contractors, engineers, or other experts, as Buyer deems necessary to make Buyer fully informed as to all conditions, physical or otherwise, of the Property; and

(iv) Buyer covenants and agrees with Seller that (a) the costs and expenses of Buyer's investigations made pursuant to the terms of this Agreement shall be borne solely by Buyer and (b) Buyer shall provide to Seller, prior to the making of any inspection or investigation, such evidence of insurance or self-insurance of Buyer or Buyer's agents, employees or contractors as Seller may reasonably require. In the event that the transaction contemplated by this Agreement does not close for any reason, Buyer shall restore the Property to its condition prior to Buyer's entry. Buyer shall indemnify, defend

by counsel reasonably acceptable to Seller and hold Seller harmless from and against any and all losses, claims, causes of action, damages and expenses (including reasonable attorney's fees and court costs) caused by, incident to, resulting from, or in any way arising out of any such presence by Buyer, its agents or representatives on the Property or any test or inspection conducted by any of them with respect to the Property. Such indemnity shall survive termination of this Agreement and the Close of Escrow and not be merged therein.

c. Survival of Warranties. Buyer and Seller agree that each representation and warranty in this Article shall survive the Close of Escrow and shall not merge with the delivery to Buyer of the deed to the Property.

ARTICLE 11. SELLER'S DISCLAIMERS

a. The property and the fixtures and personal property contained therein, if any, are now new, and have been subject to normal wear and tear. Buyer understands that Seller makes no express or implied warranty with respect to the condition of any of the Property, fixtures or personal property. Seller makes no oral or written representation regarding the age of improvements, the size and square footage of the parcel or building, or the location of property lines. Apparent boundary line indicators such as driveways, fences, hedges, walls, or other barriers may not represent the true boundary lines. Only a surveyor can determine the actual boundary lines. If any of these issues are important to Buyer's decision to purchase, then Buyer should investigate the Property independently.

b. Except for Seller's representations, warranties, and covenants described in Article 10, Buyer acknowledges that it has not relied upon any representations by Seller with respect to the condition of Property, the status of permits, zoning, or code compliance. Buyer is to satisfy itself concerning these issues.

c. Except as expressly provided in this Agreement, Buyer accepts the Property "as is" at the Close of Escrow, including but not limited to the condition of the dam and outlet works of Blakeley Reservoir.

ARTICLE 12. CHANGES DURING TRANSACTION

During the pendency of this transaction, Seller agrees that no changes in the existing leases shall be made, nor new leases or rental agreements entered into, nor shall any substantial alterations or repairs be made or undertaken to the Property without Buyer's prior written consent.

ARTICLE 13. DESTRUCTION OF IMPROVEMENTS

If the improvements of the Property are destroyed, materially damaged, or found to be materially defective as a result of such damage prior to Close of Escrow, Buyer may terminate the transaction by written notice delivered to Seller. In the event Buyer does not elect to terminate this Agreement, Buyer shall be entitled to receive, in addition to the Property, all insurance proceeds payable on account of the damage or destruction.

ARTICLE 14. DEFAULT AND TERMINATION

a. Buyer's Termination. This Agreement shall automatically terminate without further notice or action by Buyer upon the occurrence of any of the following events provided that Buyer is not then in material breach of this Agreement: (a) any condition to Close of Escrow contained in Article 6.a. has not been satisfied or waived by Buyer by Close of Escrow; or (b) Buyer having exercised its right to terminate this Agreement pursuant to Article 5.b., Article 7.b., Article 7.c., Article 8.b. or Article 13. In such event, the parties shall have no further obligation to each other except for those obligations that specifically survive the termination of this Agreement. If this Agreement terminates as a result of Seller's material breach of this agreement, Buyer shall have all remedies it may have hereunder or at law as a result of such occurrence, including the remedy of specific performance.

b. Seller's Termination. Provided that Seller is not then in material breach of this Agreement, this Agreement shall automatically terminate without further notice or action by Seller if any condition to Close of Escrow contained in Article 6.b. has not been satisfied or waived by Seller by the Close of Escrow.

c. Buyer's Default. If this transaction shall fail at close of the Close of Escrow as a result of Buyer's default, this Agreement shall terminate upon written notice to Buyer, and upon such written notice of termination, all obligations of Buyer and Seller under this Agreement shall terminate, except that Seller shall have a right to liquidated damages as set forth in Article 2.b. herein.

d. Release from Escrow. Upon termination of this Agreement pursuant to subparagraphs 14.a. or 14.b., Escrow Holder shall promptly return to Buyer and Seller, respectively, all documents and monies deposited by them into escrow without prejudice to their rights and remedies hereunder, except for Buyer's non-refundable earnest money deposit pursuant to Article 2.c., which if deposited, shall be the funding source for the liquidated damages due to Seller.

ARTICLE 15. INDEMNIFICATION

Each party hereto shall defend, indemnify and hold harmless the other party (with counsel reasonably acceptable to such party) from and against any loss, cost, expense, claim, demand, liabilities or damages, including reasonable attorney's fees, resulting from any misrepresentation or breach of warranty or breach of covenant made by such indemnifying party in this Agreement or in any document, certificate, schedule or exhibit given or delivered to the other party pursuant to or in connection with this Agreement, and such indemnification obligations shall survive the Close of Escrow and shall be construed as running to Buyer's successors with the Property conveyed.

ARTICLE 16. COVENANT NOT TO SUE

Buyer, its successors and assigns, hereby release and forever discharge Seller from any and all claims, demands, causes of action, rights, damages, costs and liabilities of any nature arising out

of or related in any way to hazardous materials on, beneath, or from the Property, and to non-compliance of the Property, its fixtures, improvements, or programs, with the Americans With Disabilities Act, occurring after the Close of Escrow.

ARTICLE 17. MISCELLANEOUS

a. Time of Essence. Time is of the essence of every provision of this Agreement.

b. Notices. Whenever Escrow Holder or any party hereto shall desire to give or serve upon the other any notice, demand, request or other communication, each such notice, demand, request or other communication shall be in writing and shall be given or served upon the other party with the appropriate copies, and each parties' representatives, by personal service or by certified, registered or Express United States Mail, or Federal Express or other nationally recognized commercial courier, postage prepaid, addressed as set forth above. Any such notice, demand, request or other communication shall be deemed to have been received upon the earlier of personal delivery thereof or attempted personal delivery, as the case may be. Any notice, demand, request or other communication sent by any of the methods set forth above shall, when sent, also be sent by facsimile transmission; provided, however, notice by facsimile transmission shall be in addition to, and not in lieu of, notice by any of the methods set forth above.

All notices, requests, demands, and other communications under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service if served personally on the person to whom notice is to be given or, on the second (2^{nd}) day after mailing if mailed to the party to whom notice is to be given, by First Class Mail, registered or certified, return receipt requested, postage prepaid and properly addressed as follows:

To Seller at: Thomas D. Cumpston, General Counsel
El Dorado Irrigation District
2890 Mosquito Road
Placerville, CA 95667

To Buyer at: Chris Baldivid, President
Walker Land Company
2795 E. Bidwell St. 100-137
Folsom, CA 95630

Any party may change its address and/or recipient of notice for purposes of this Agreement by giving the other party and the Escrow Holder written notice of the change.

c. Attorney's Fees. If any legal action or other action is commenced to enforce or interpret any provision of this Agreement, the prevailing party shall be entitled to recover its reasonable attorney's fees and court costs incurred.

d. Successors and Assigns. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of Seller and Buyer. Buyer may assign its rights hereunder to any entity, provided, however, that such assignment shall not relieve Buyer of any of its obligations hereunder.

e. Captions. Article and subparagraph titles or captions contained in this Agreement are inserted as a matter of convenience and for reference, and in no way define, limit, extend or describe the scope of this Agreement.

f. Exhibits. All exhibits attached to this Agreement hereto shall be incorporated herein by reference as if set out herein in full.

g. Binding Effect. Regardless of which party prepared or communicated this Agreement, this Agreement shall be of binding effect between Buyer and Seller only upon its execution by an authorized representative of each such party.

h. Construction. The parties acknowledge that each party and its counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendment or exhibit hereto.

i. Counterparts. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument. Duplicate unexecuted pages of each counterpart may be discarded and the remaining pages assembled as one document. Counterparts bearing a party's signature which are transmitted by facsimile and received by the other party hereto shall be deemed executed original counterparts. The party transmitting an executed counterpart via facsimile shall deliver an ink signed counterpart within a reasonable time thereafter.

j. Further Assurances. Buyer and Seller shall make, execute, and deliver such documents and undertake such other and further acts as may be reasonably necessary to carry out the intent of the parties hereto.

k. Governing Law. This Agreement shall be governed by, and construed in accordance with the laws of the State of California without regard to the conflicts of law provisions thereof.

l. Entire Agreement. This Agreement embodies the entire agreement between Buyer and Seller in connection with this transaction. This Agreement cannot be modified except in writing signed by all parties.

m. Severability. If any provision of this Agreement is held invalid or unenforceable by any court of final jurisdiction, it is the intent of the parties that all the other provisions of this Agreement be construed to remain fully valid, enforceable and binding on the parties.

n. Survival of Representations and Warranties. All covenants, representations, warranties, and other agreements under this Agreement shall survive the Close of Escrow.

o. Saturdays, Sundays, and Holidays. If any date by which an election or a notice must be given falls on a Saturday, Sunday or holiday, then the date by which an election or notice must be given is extended to 5:00 p.m. on the next business day following such Saturday, Sunday or holiday.

p. Waiver. No breach of any provision of this Agreement can be waived unless in writing. Waiver of any one breach of a provision hereof shall not be deemed to be a waiver of any other breach of the same or any other provision, including the time for performance of any such provision. The exercise by a party of any remedy provided in this Agreement or at law shall not prevent the exercise by that party of any other remedy provided in this Agreement or at law.

q. Arbitration of Disputes. Any dispute or claim in law or equity between Buyer and Seller arising out of this Agreement shall be decided by neutral, binding arbitration and not by court action, except as provided by California law on judicial review of arbitration proceedings. The arbitration shall be conducted in accordance with the rules of the American Arbitration Association ("AAA") commercial rules. The arbitration shall be conducted in accordance with Part III, Title 9 of the California Code of Civil Procedure. Judgment upon the award rendered by the arbitrator may be entered in any Court having jurisdiction thereof. The parties shall have the right to discovery in accordance with Code of Civil Procedure § 1283.05.

r. No Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any person other than the parties to it and their respective permitted successors and assigns, nor is anything in this Agreement intended to relieve or discharge any obligation of any third person to any party hereto or give any third person any right of subrogation or action over against any party to this Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

BUYER:

WALKER LAND COMPANY, a _____

By: _____

Its:_____

SELLER:

EL DORADO IRRIGATION DISTRICT, a California special district

By: _____

Its:_____

ATTEST:

By:_____
Clerk to the Board

APPROVED:

By:_____
Attorney

Acceptance by Escrow Holder

Escrow Holder acknowledges receipt of the foregoing Agreement and accepts the instructions contained therein.

Dated: _____, 2015 _____

By:_____

Name:_____

Title:_____

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Space Reserved for Recorder's Use Only

GENERAL ASSIGNMENT

This Assignment (the "Assignment") is made as of _____, by EL DORADO IRRIGATION DISTRICT, a California special district ("Assignor").

FOR VALUABLE CONSIDERATION, as set forth in that certain Agreement of Purchase and Sale and Joint Escrow Instructions dated _____, 2015 (the "Agreement"), Assignor hereby assigns and transfers to _____, a _____ ("Assignee"), with respect to the Property described in Schedule 1, the following:

A. All equipment leases, service and/or maintenance agreements and contracts relating to the Real Property (collectively, the "Contracts"), as more particularly described in Schedule 2 attached hereto;

B. All permits, licenses, consents, registrations and other similar approvals applicable to the Property (collectively, the "Approvals"), which Approvals are more particularly described in Schedule 3 attached hereto; and

C. All warranties of which Assignor is the beneficiary (the "Warranties") with respect to the Improvements or Personal Property.

This Assignment shall not supersede the Agreement and, in the event of conflict between this Assignment and the Agreement, the Agreement shall control.

This Assignment shall be binding upon and inure to the benefit of Assignor and Assignee and their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, Assignor has executed this Assignment as of the date first above written.

ASSIGNOR:

EL DORADO IRRIGATION DISTRICT, a California special district

By:_____

Its:_____

[Acknowledgements Required]

ACKNOWLEDGMENT

State of California)
)
County of El Dorado)

On _____before me, _____, (insert name and title of the officer) personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

(Seal)

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO

ATTN:

EXEMPT FROM RECORDING FEES PURSUANT
TO GOVERNMENT CODE SECTION 27383

SPACE ABOVE THIS LINE FOR RECORDER'S USE

APN:_____

Grant Deed

The undersigned Grantor(s) declare(s): El Dorado Irrigation District is exempt from property taxes Documentary transfer tax is $ _____.

- ☐ Computed on full value of property conveyed, or
- ☐ Computed on full value less value of liens and encumbrances remaining at time of sale.
- ☐ Unincorporated area ☐ County of El Dorado, and

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

EL DORADO IRRIGATION DISTRICT, a California special district,

Hereby GRANT(S) to

WALKER LAND COMPANY, a _____,

the following described real property in the County of El Dorado.

State of California:

SEE ATTACHED EXHIBIT A

Dated: _____, 2013 By:_____

ACKNOWLEDGMENT

State of California)
)
County of El Dorado)

On _____before me, _____, (insert name and title of the officer) personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

(Seal)

CONSIDERATION OF SELLING THE BLAKELEY RESERVOIR PROPERTY TO WALKER LAND COMPANY

EL DORADO IRRIGATION DISTRICT

JUNE 22, 2015

PRIOR BOARD ACTION

- August 27, 2012 – Board approved a not-to-exceed $64,432 on-call contract amendment to GEI Engineering for design of the Blakeley Dam Outlet Remediation Project and approved total funding of $277,559 for the project, CIP Project No. 09006E.

- September 9, 2013 – Board waived a contractual requirement that Apple Mountain, L.P. take water from Blakeley Reservoir as its primary source of non-potable water, and directed staff to pursue a point of rediversion of its Blakeley Reservoir water rights at Folsom Reservoir.

- October 14, 2014 – Board adopted the 2015-2019 Capital Improvement Plan.

- February 9, 2015 – Board adopted Resolution No. 2015 – 006, declaring the Blakeley Reservoir real property to be surplus to District needs.

BOARD POLICIES, ADMINISTRATIVE REGULATIONS, AND BOARD AUTHORITY

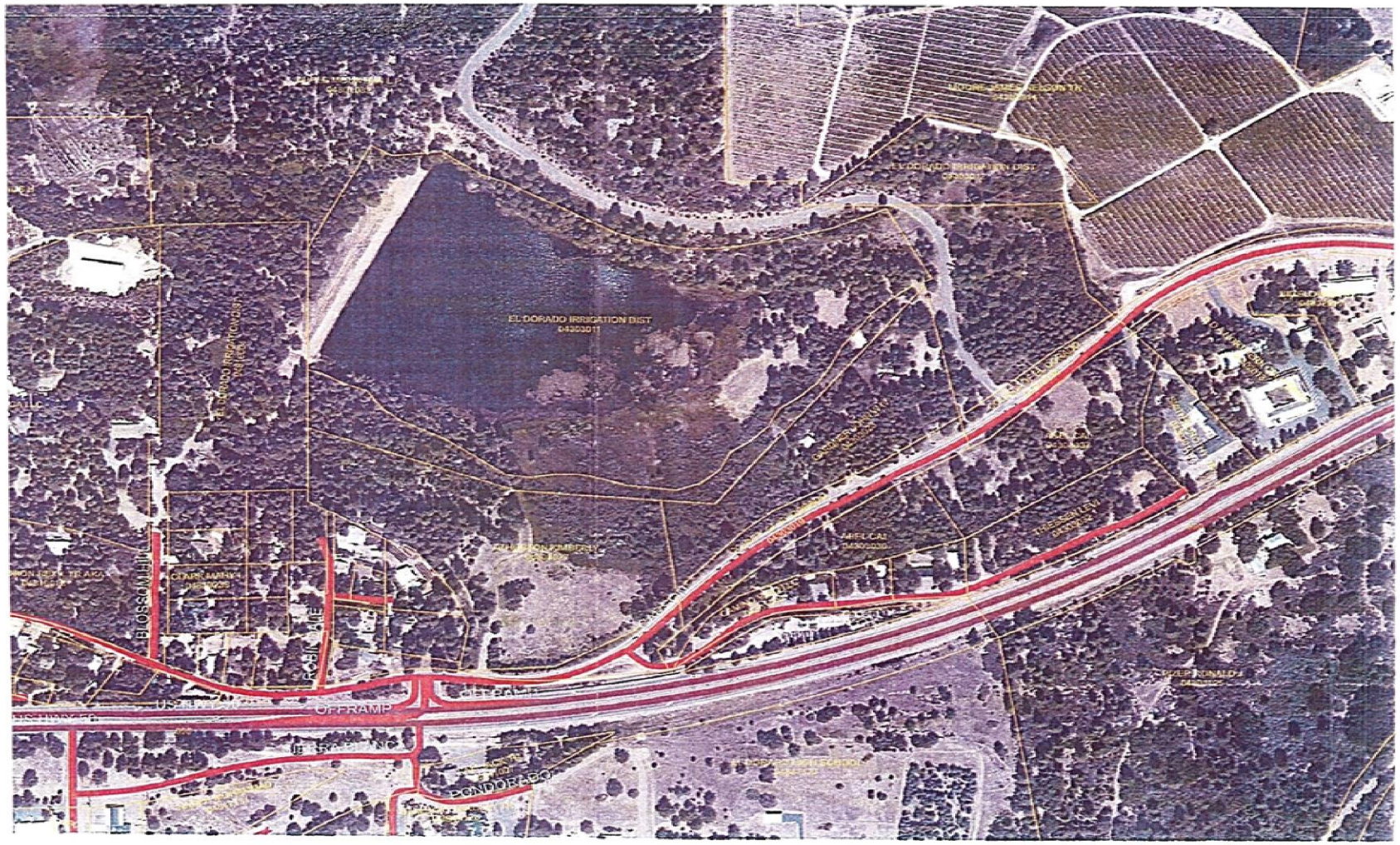
- Water Code section 22500 authorizes conveyance of surplus District property
- Government Code sections 54200 – 54232 require initial offers of surplus properties to certain government agencies for certain purposes
- BP 3050 states that the District will be run in a fiscally responsible and prudent manner

SUMMARY OF ISSUE

- Board declared Blakeley Reservoir property surplus to explore sale to a private party
  - Property currently serves no District purpose
  - Could be more valuable to a private party
- Legal prerequisites to private sale completed, proposals requested and received
- Recommend authorization to sell to Walker Land Company

BLAKELEY RESERVOIR

BLAKELEY RESERVOIR PROPERTY



STAFF ANALYSIS/EVALUATION

- Blakeley property is a vestige of County's mining history, District's ditch system
  - Dates to 1870s
  - Originally fed by Main Ditch, springs on property
  - Regulating reservoir feeding ditch system for mining, irrigation, other uses in Camino, Placerville, surrounding areas
- About 35.85 acres on three parcels, including 25-acre reservoir holding 150 AF
- No other significant improvements
- Rolling topography, heavy vegetation, private road access, proximity to Carson Road, visibility from US 50

STAFF ANALYSIS/EVALUATION

- Decommissioning of ditch system diminished reservoir's use
  - Reservoir fed only by springs in recent decades
- 2001 – 20-year agreement with Apple Mountain L.P. to pump Blakeley water for golf course irrigation
  - Pumps installed, never used; Apple Mountain denies ownership, use obligation; spring inflow insufficient
  - 2013 – Board voted to waive use requirement
- Dam and outlet works are dilapidated
  - Cannot cycle outlet valve as DSOD requires
  - Outlet conduit degraded, erosion risk in channel
- 2015-2019 CIP programs $1.4 million to remediate

STAFF ANALYSIS/EVALUATION

- Contacts in last year from interested private parties
- Property could be more valuable to them, because dam issue could be much less expensive
  - No CEQA, no prevailing wage
  - Regulatory, public expectations likely to be less exacting
- Value difference creates possibility of mutually beneficial transaction
- Board declared property surplus in February to explore this opportunity
  - Surplus declaration authorized a sale, but did not require it
- Government agency offers made, not accepted
- Appraisal report prepared

STAFF ANALYSIS/EVALUATION

- Request for Proposals issued
  - Property information – access, water rights, reservoir, dam/outlet works
  - Addenda extended response period, provided extensive documentation re: dam and outlet works
  - Response requirements: complete purchase, "as-is," all cash, short escrow
  - Form purchase and sale agreement for review and comment
  - Evaluation criteria: responsiveness, price, terms
- Three proposals received
  - Visman proposal non-responsive to RFP's "as-is" sale condition

STAFF ANALYSIS/EVALUATION

- Walker Land Company proposal recommended
  - Higher purchase price ($51,000)
  - Higher non-refundable deposit ($10,000)
  - Best terms (buyer bears transaction costs)
  - Quickest close (≤ 60-day due-diligence period, close 21 days later)
- Low purchase price reflects "as-is" sale
  - District avoids $1.4 million capital expense included in 2015-2019 CIP
  - District receives one-time revenue
- California Environmental Quality Act compliance
  - Staff determination – qualifies for Class 12 Categorical Exemption
    - Sale of surplus government property
  - No exceptions to the exemption are triggered
  - If Board approves, staff will prepare and file Notice of Exemption

BOARD DECISIONS/OPTIONS

- **Option 1**: Approve a Purchase and Sale Agreement and Joint Escrow Instructions to sell the Blakeley Reservoir surplus property to Walker Land Company; authorize the General Manager to execute the agreement and take all other necessary actions, upon approval as to form by General Counsel, to effectuate the property sale.

- **Option 2**: Take other action as directed by the Board.

- **Option 3**: Take no action *(staff will resume its pursuit of dam repair and rediversion of the water rights at Folsom Reservoir)*.

STAFF/GENERAL MANAGER'S RECOMMENDATION

Option 1

QUESTIONS ?