



**AGENDA**  
**REGULAR MEETING OF THE BOARD OF DIRECTORS**  
**EL DORADO IRRIGATION DISTRICT**  
District Board Room, 2890 Mosquito Road, Placerville, California  
July 13, 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](mailto: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

## CLOSED SESSION

### A. Closed session pursuant to Government Code section 54956.8 (Cumpston)

Conference with Real Property Negotiators – Real Property Negotiations pursuant to Government Code Section 54956.8.

Properties: Assessor's Parcel Numbers 043-03-011 and -012, 048-160-04

District negotiators: General Counsel

Under negotiation: terms

Negotiating party: Walker Land Company

*This Closed Session item will occur prior to the consideration of a related item on the Consent Calendar.*

## 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 16, June 23, and June 30, 2015, and Board 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 Board and 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 22, 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. Engineering (Noel)**

Consideration to award a contract to Diamond Pacific Lumber in the not-to-exceed amount of \$127,763.15 for the Canal and Flume Upgrades; Project No. 14014.

Option 1: Award a contract to Diamond Pacific Lumber in the not-to-exceed amount of \$127,763.15 for the Canal and Flume Upgrades; Project No. 14014.

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

Option 3: Take no action.

**Recommended Action:** Option 1.

**5. Finance (Ruiz)**

Consideration to award contracts to Brenntag Pacific, Inc. and Univar USA, Inc. to supply as-needed liquid sodium hypochlorite and liquid sodium hydroxide for water and wastewater treatment for one year at an estimated cost of \$350,000, and authorize the General Manager to award two additional one-year contract extensions.

Option 1: Award contracts to Brenntag Pacific, Inc. and Univar USA, Inc. to supply as-needed liquid sodium hypochlorite and liquid sodium hydroxide for water and wastewater treatment for one year at an estimated cost of \$350,000, and authorize the General Manager to award two additional one-year contract extensions

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

Option 3: Take no action.

**Recommended Action:** Option 1.

**6. Finance (Downey)**

Consideration of a resolution to set the tax rate for the General Obligation bonds, approve non-ad valorem charges, and authorize El Dorado County to place and collect charges for the 2015/2016 tax roll year; and resolution to set the Annexation Impact Fee Rate.

Option 1: A. Adopt a resolution setting the tax rate for the voter-approved debt, approving non-ad valorem charges, authorizing El Dorado County Auditor/Controller's Office to place said charges on the tax roll and the Tax Collector's Office to collect said charges for the tax roll year 2015/2016. (Attachment F)

B. Adopt a resolution setting the Annexation Impact Fee rate for the tax year 2015/2016. (Attachment G)

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

Option 3: Take no action. *This option would result in non-collection of taxes for the 2015/2016-tax roll year.*

**Recommended Action:** Option 1.

**7. Finance (Pasquarello)**

Exercise 2 year option with Richardson & Company, LLC for 2015 and 2016 auditing services.

Option 1: Authorize the Director of Finance to enter into a professional service agreement with Richardson & Company, LLC for the fiscal years ending December 31, 2015 and 2016 not-to-exceed \$71,600. Contract to include an additional provision for the Single Audit not to exceed \$5,500 for year 2015 and \$5,500 for year 2016, to be costed out separately.

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

Option 3: Take no action.

**Recommended Action:** Option 1.

**8. 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 diversion of the water rights at Folsom Reservoir*).

**Recommended Action:** Option 1.

**END OF CONSENT CALENDAR**



## **ACTION ITEMS ~ TIMED ITEM 9:30 A.M.**

Pursuant to Government Code section 54953, subdivision (b), Director Coco will participate in Action Item No. 9 via teleconference from Business Center, Marriott's Maui Ocean Club, 100 Nohea Kai Dr., Lahaina Maui, HI 06761. Members of the public wishing to address the Board of Directors directly pursuant to Government Code section 54954.3 may also do so at the teleconference location.

### **9. Engineering (Mueller)**

Consideration of revisions to the Drought Action Plan related to non-irrigation pond filling and recycled water supplementation restrictions.

Option 1: Maintain prohibition on non-irrigation pond filling with potable or recycled water, and revise drought action plan to remove the prohibition on potable water supplementation in Stage 2.

Option 2: Revise the drought action plan to remove the prohibition on non-irrigation pond filling and remove the prohibition on potable water supplementation in Stage 2.

Option 3: Take other action as directed by the Board.

Option 4: Take no action.

**Recommended Action:** Option 1.

## **CLOSED SESSION continued**

### **B. Closed session pursuant to Government Code section 54956.9 (Cumpston)**

Conference with General Counsel – Existing Litigation pursuant to Government Code Section 54956.9(a). *United States and States of California, Delaware et al. ex rel. Hendrix v. J-M Manufacturing Co, Inc. et al.*, United States District Court, Central District of California, Case No. ED CV-06-0055-GW; and *State of Nevada, et al. v. J-M Manufacturing Company, Inc., et al.*, Los Angeles County Superior Court, Case No. BC459943.

### **C. Closed session pursuant to Government Code section 54956.9 (Cumpston)**

Conference with General Counsel – Significant Exposure to Litigation pursuant to Government Code Section 54956.9(d)(2) - Potential resumption of water diversions on the Middle Fork Cosumnes River.

## **REVIEW OF ASSIGNMENTS**

## **ADJOURNMENT**

## **TENTATIVELY SCHEDULED ITEMS FOR FUTURE MEETINGS**

### **Engineering**

- Esmeralda Tunnel Update, Information Item, regular Board meeting, August 10 (Noel)
- Consideration to award a professional services contract for the Penstock Condition Assessment, Action Item, regular Board meeting, August 10 (Eymann)
- Consideration to award a construction contract for Powerhouse Upgrades and the FERC C59 SFAR North Structures Projects, Action Item, regular Board meeting, August 24 (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 preparation of an Environmental Impact Report for the Main Ditch Project, Action Item, regular Board meeting, September 14 (Eden-Bishop)

### **Finance**

- June 30, 2015 Financial Update, Information Item, regular Board meeting, August 10 (Price)

**El Dorado Irrigation District**  
**July 13, 2015**  
**Board Meeting**  
Communications - General Manager

**1) Awards and Recognitions**

- a) Welcome to the District, **Margaret Washko**. Margaret has been hired as a replacement to the position of Wastewater/Recycled Water Manager in the Operations Department.
- b) The District received an email from Verne Terwilliger in appreciation of Marty Humbird, thanking him for the excellent customer service he provided during a recent field visit.

**2) Staff Reports and Updates**

- a) Drought Update and Conservation Progress – Summary by Brian Mueller

**General Manager’s Report  
July 13, 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 July 1, 2015 cumulative conservation for water customers was 28% for the year. **Conservation for the month of June was 32%, which exceeds the State Water Board conservation mandate.** Conservation for the week of June 25-July 1 was 12%. As Director Day noted last meeting, there is a downward spike in the 2013 baseline for that particular week which resulted in lower conservation percentage for the week.

For recycled water customers, cumulative conservation for the year is 27%. Conservation for the month of June was 29%, and conservation for the week of June 25-July 1 was 10%.

	June 25-July 1 Weekly Conservation %	June 2015 Conservation %	YTD Conservation %
Potable Conservation	12%	<b>32%*</b>	28%
Recycled Conservation	10%	29%	27%
<i>*June potable water conservation exceeds State Water Board mandate</i>			

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

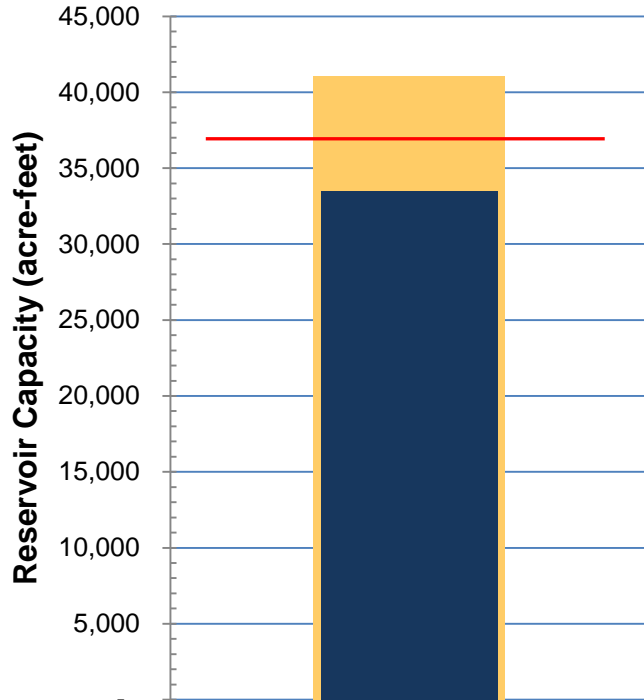
- A. Drought and conservation charts



# Jenkinson Lake at Sly Park

## Reservoir Conditions

(as of June 30, 2015)



**Current Level: 33,490 AF**

**82%**

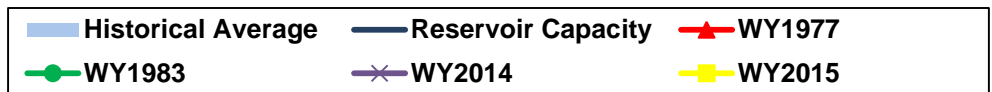
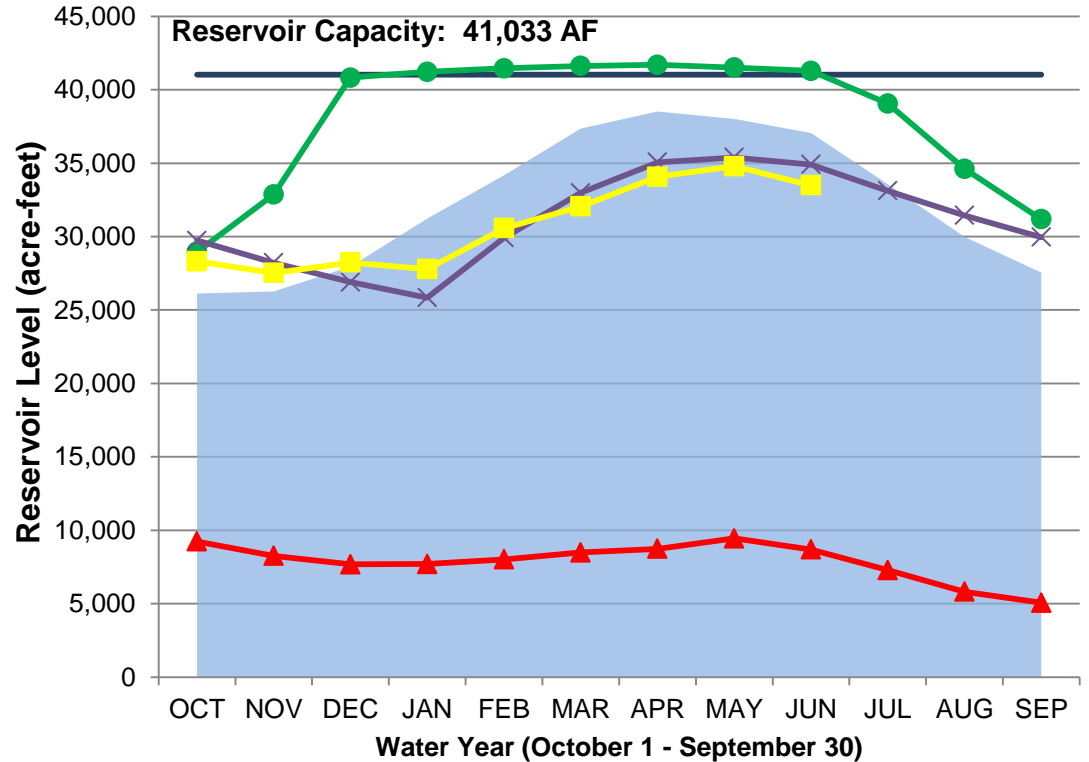
**Current Capacity**

as of: **6/30/2015**

**90%**

**End of Month**

**Historical Average**

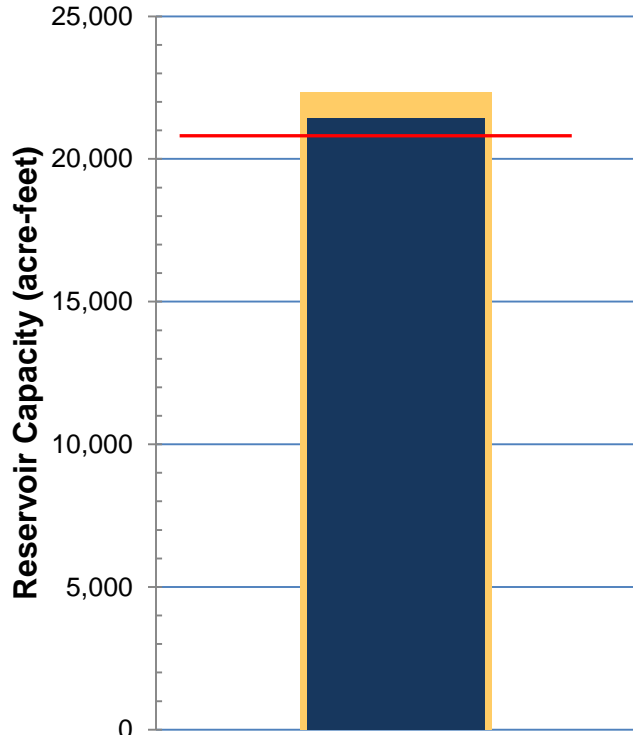




# Caples Lake

## Reservoir Conditions

(as of June 30, 2015)



**Current Level: 21,426 AF**

**96%**

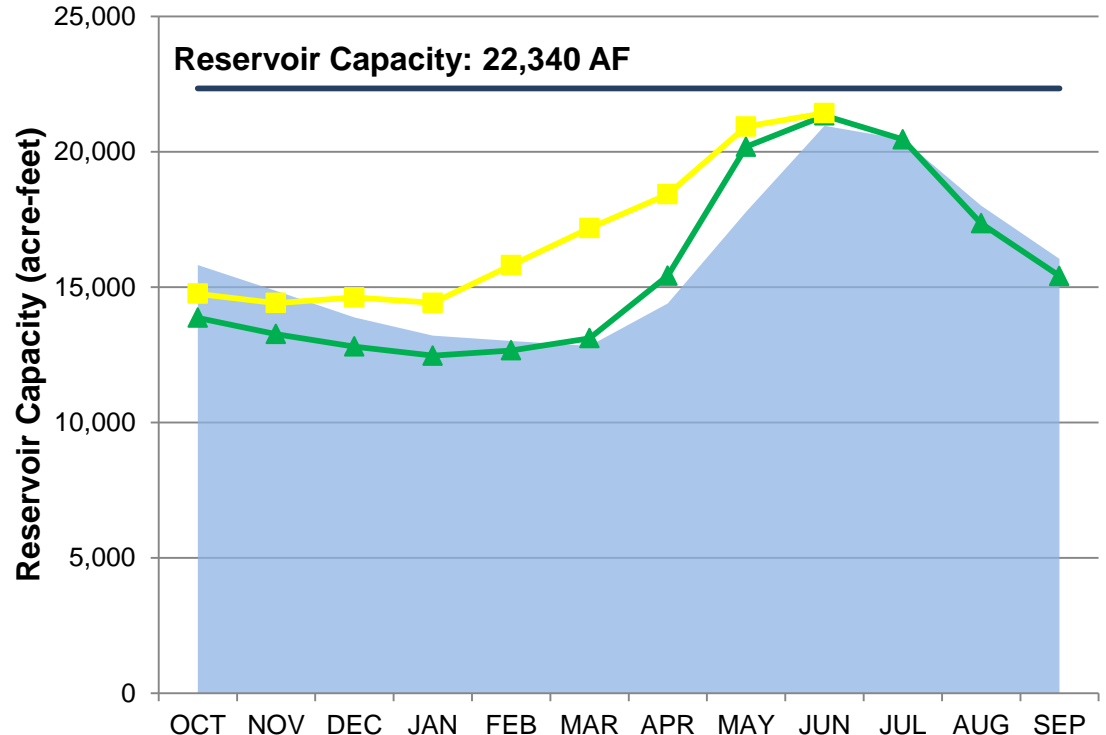
**Current Capacity**

as of: **6/30/2015**

**94%**

**End of Month**

**Historical Average**



**Reservoir Capacity: 22,340 AF**

OCT NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEP

Water Year (October 1 - September 30)

Historical Average

WY 2014

Reservoir Capacity

WY 2015

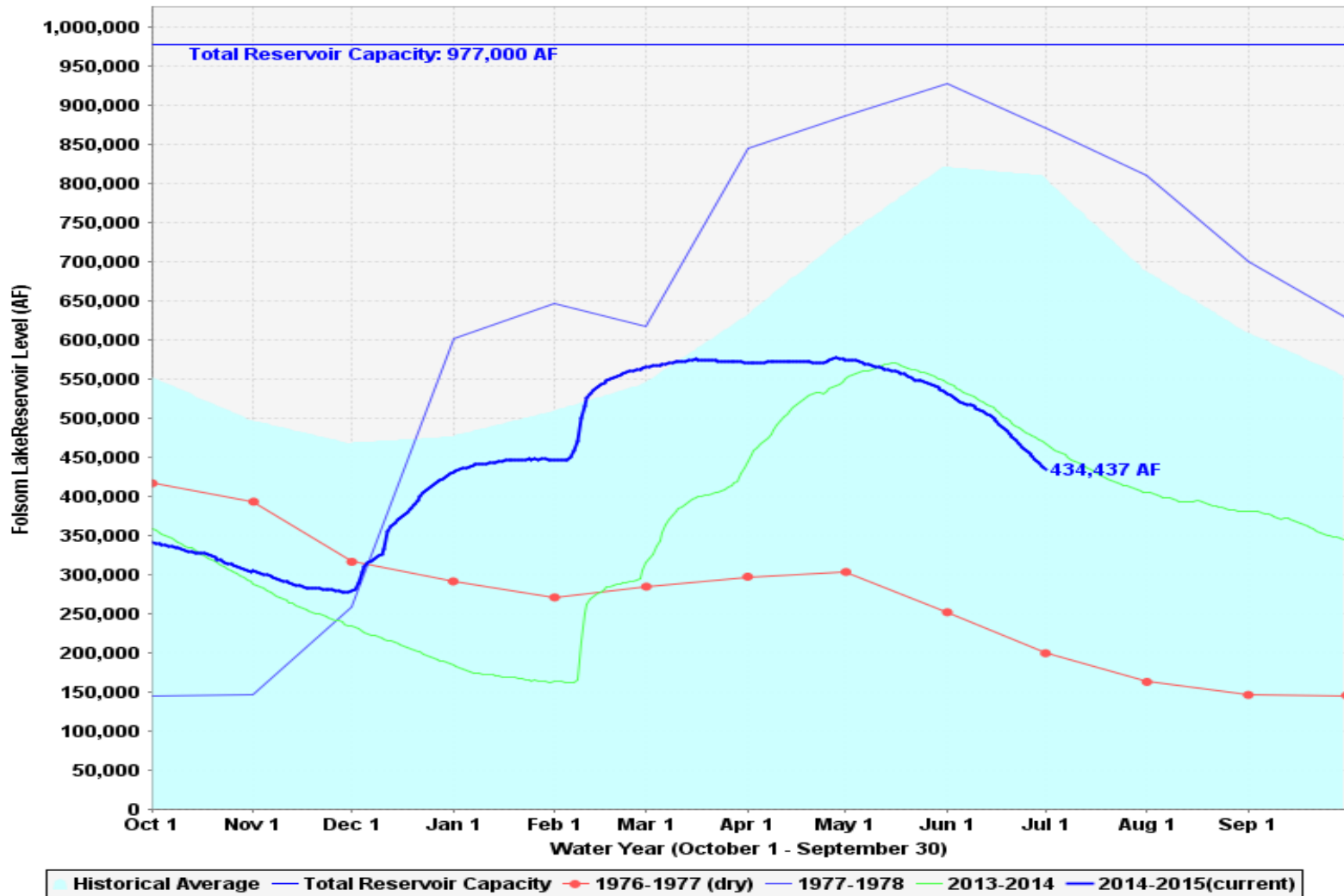


# Folsom Lake

## Storage Levels

(as of July 1, 2015)

**Folsom Lake Storage Levels**

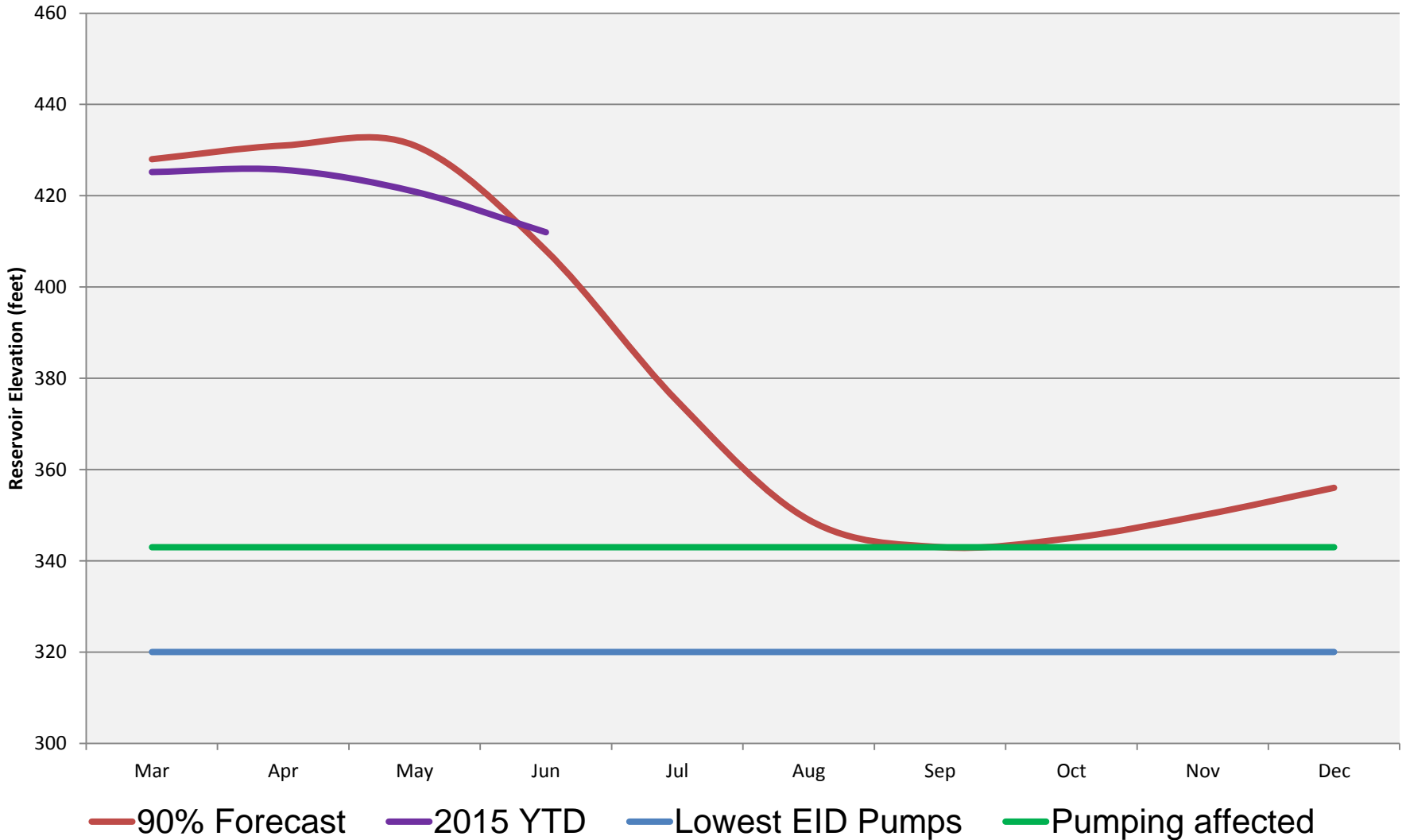




# Folsom Lake

## Elevation Level Projections vs Actuals

(as of June 24, 2015)





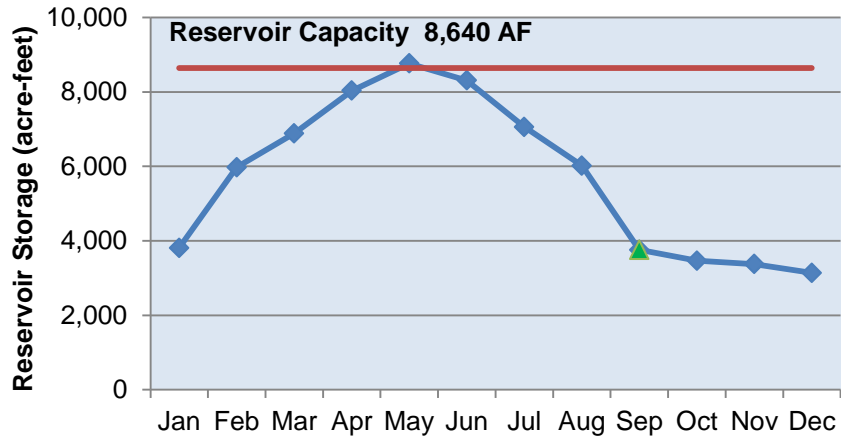


# Project 184 Forecast Operations

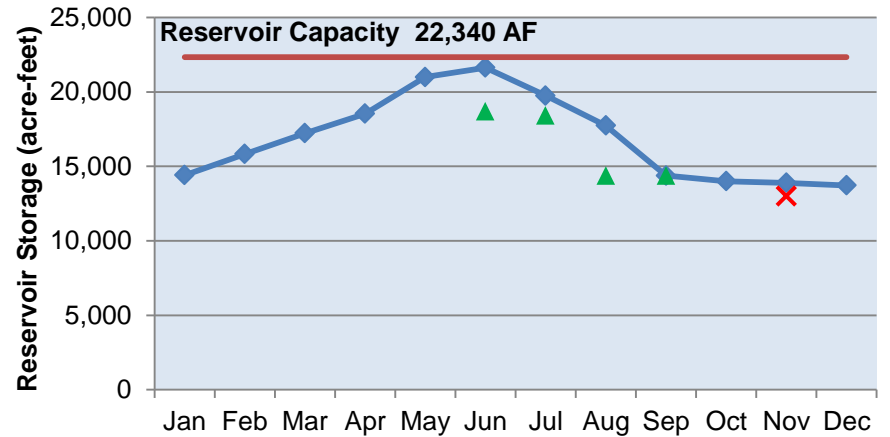
## End of Month Storage (AF)

June 10 Forecast Data

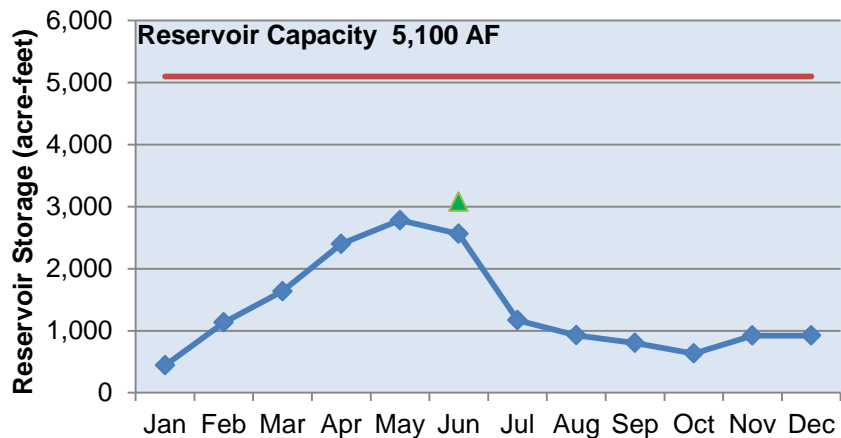
### Silver Lake



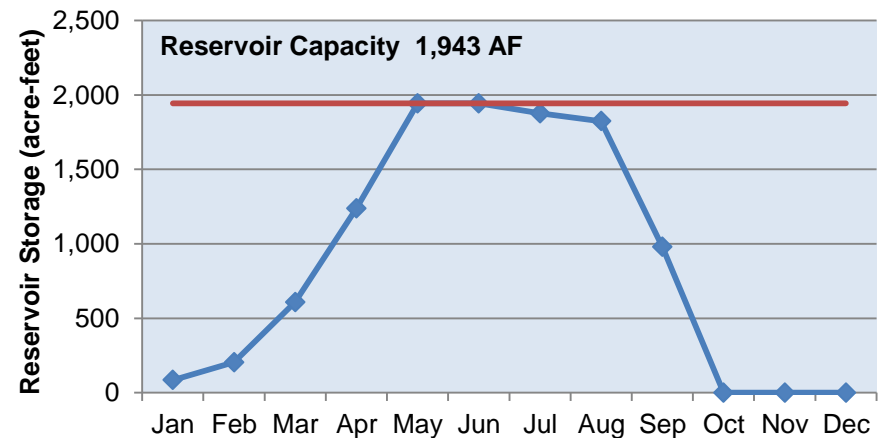
### Caples Lake



### Lake Aloha



### Echo Lake

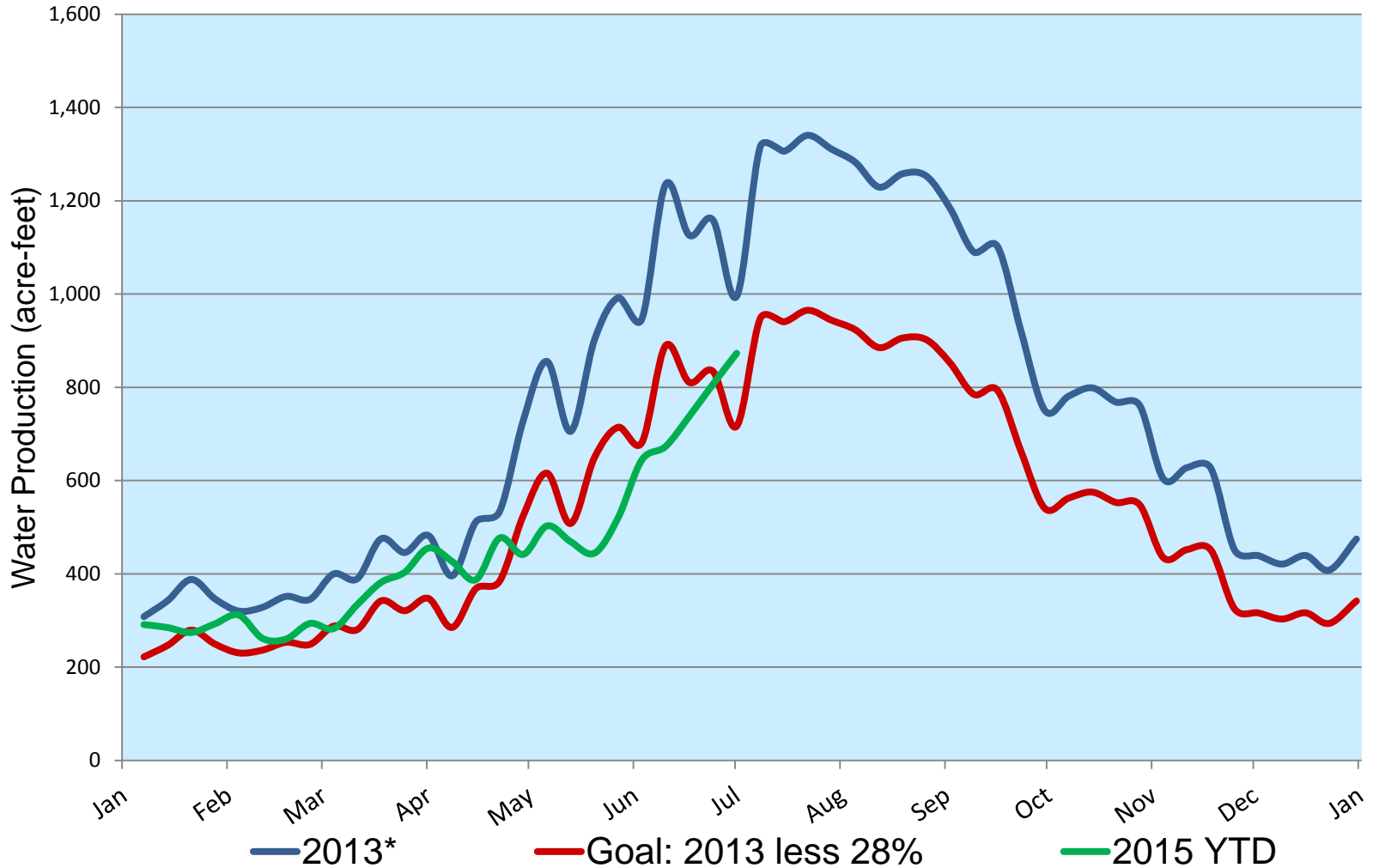




# Potable Water Conservation Progress

## Weekly Comparison - 2015 vs. 2013

(as of July 1, 2015)



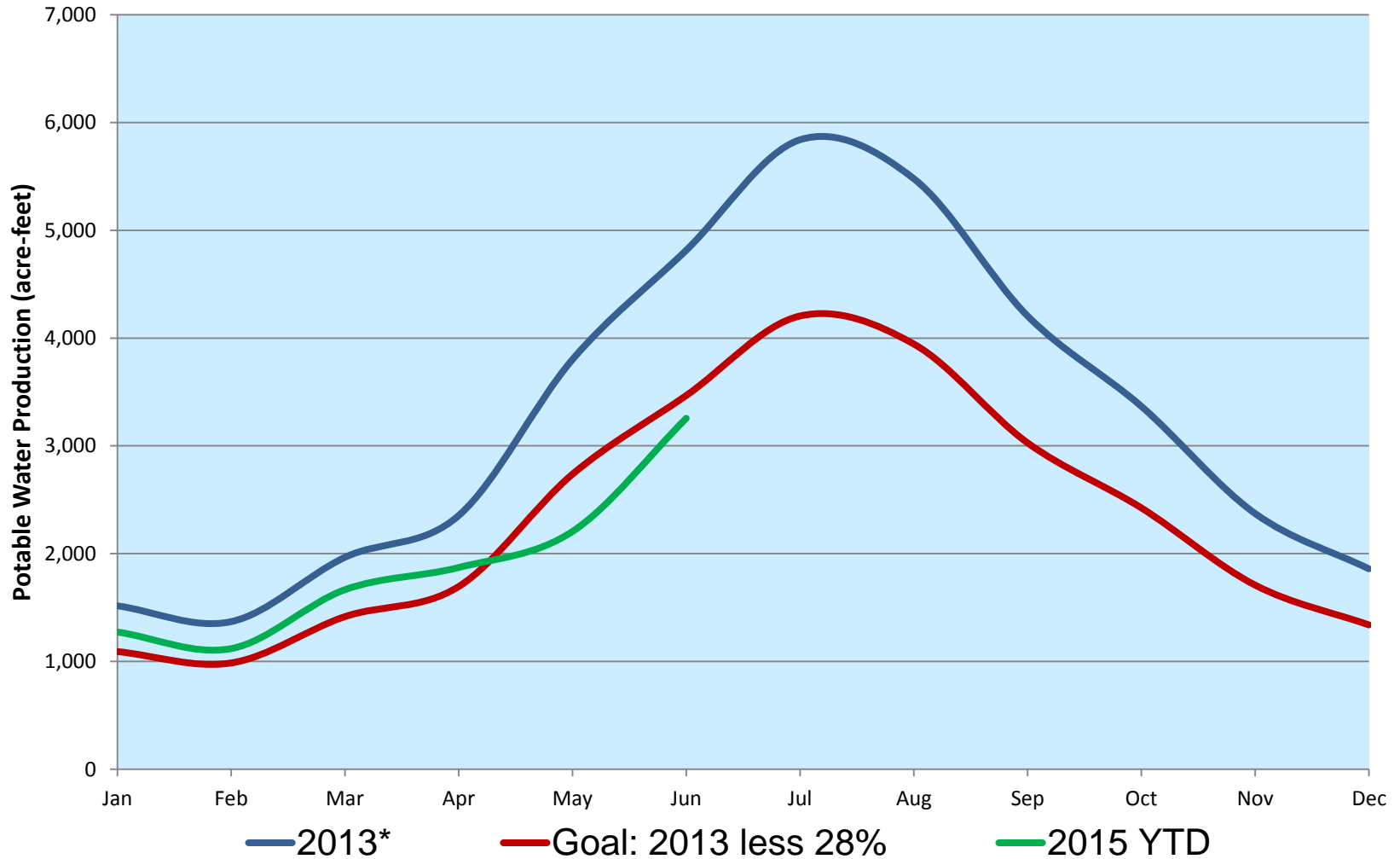
\*2013 baseline per State Water Board and RWA standard



# Potable Water Conservation Progress

## Monthly Comparison - 2015 vs. 2013

(as of June 30, 2015)



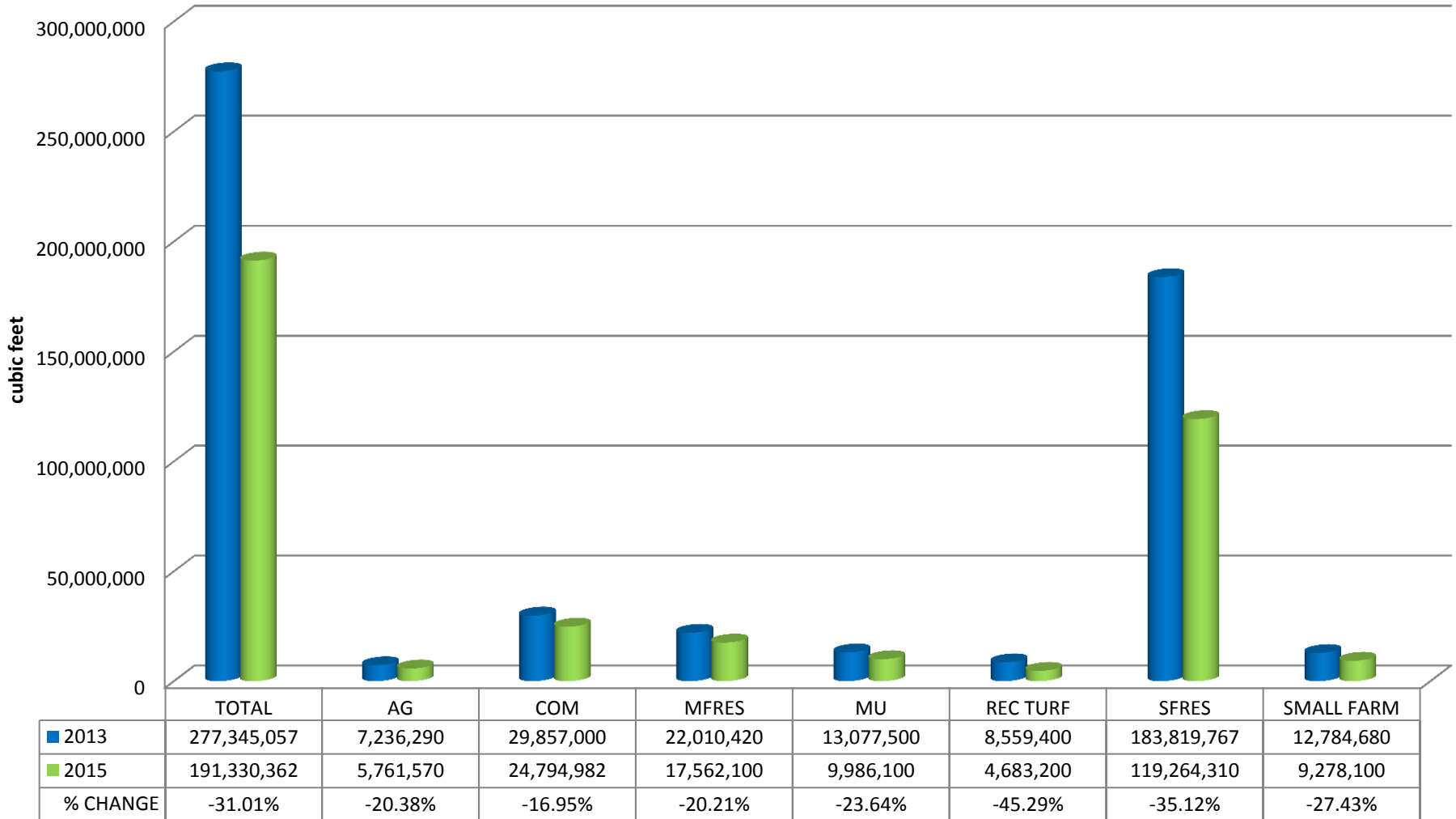
\*2013 baseline per State Water Board and RWA standard



# Potable Metered Use Comparison

## 2015 Year to Date (cubic feet)

(as of May 28, 2015)



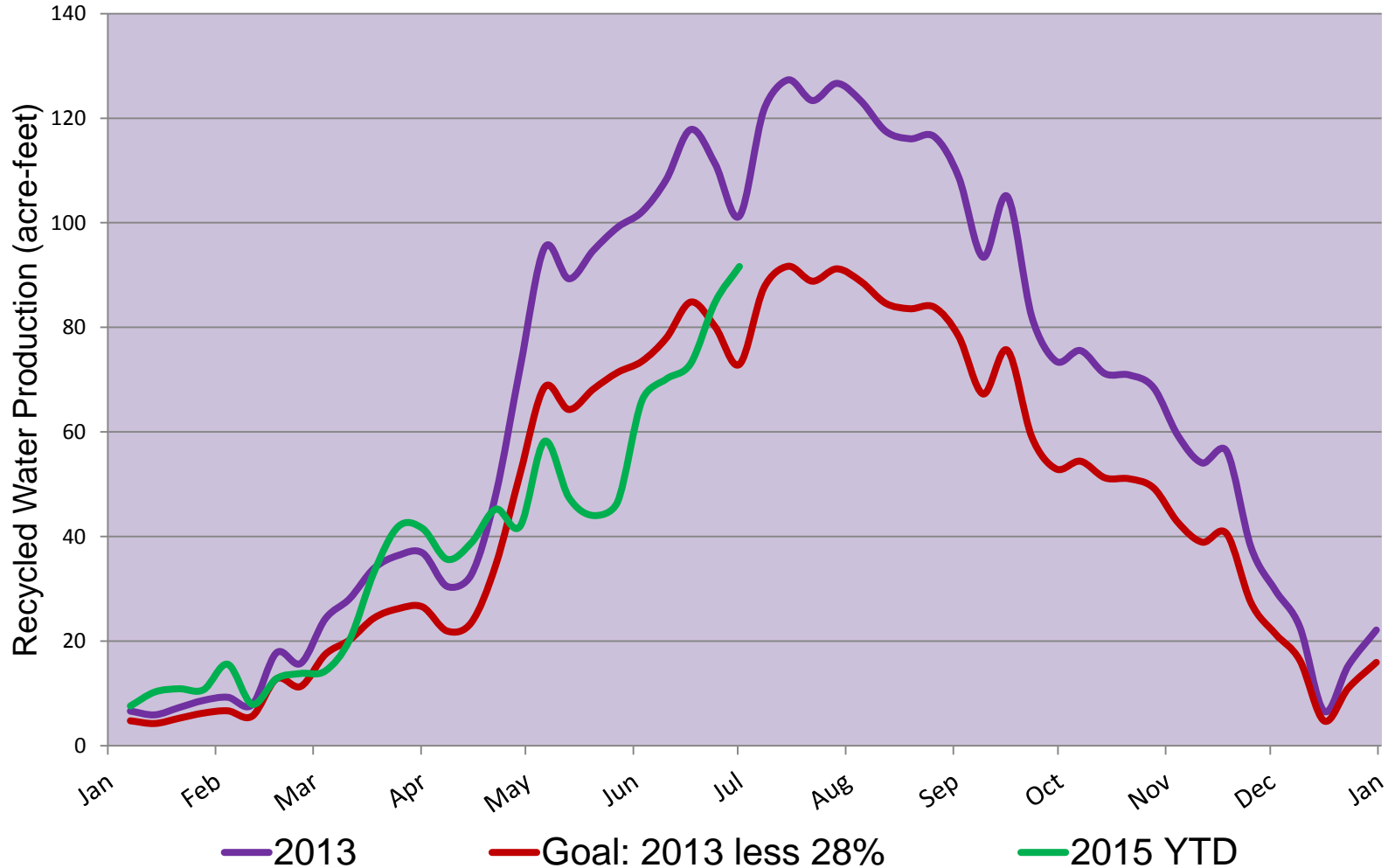
60% of 2013 Domestic Irrigation use was rolled into the 2013 Single Family Residential category. The remaining 40% was rolled into the 2013 Small Farm category.



# Recycled Water Conservation Progress

## Weekly Comparison - 2015 vs. 2013

(as of July 1, 2015)



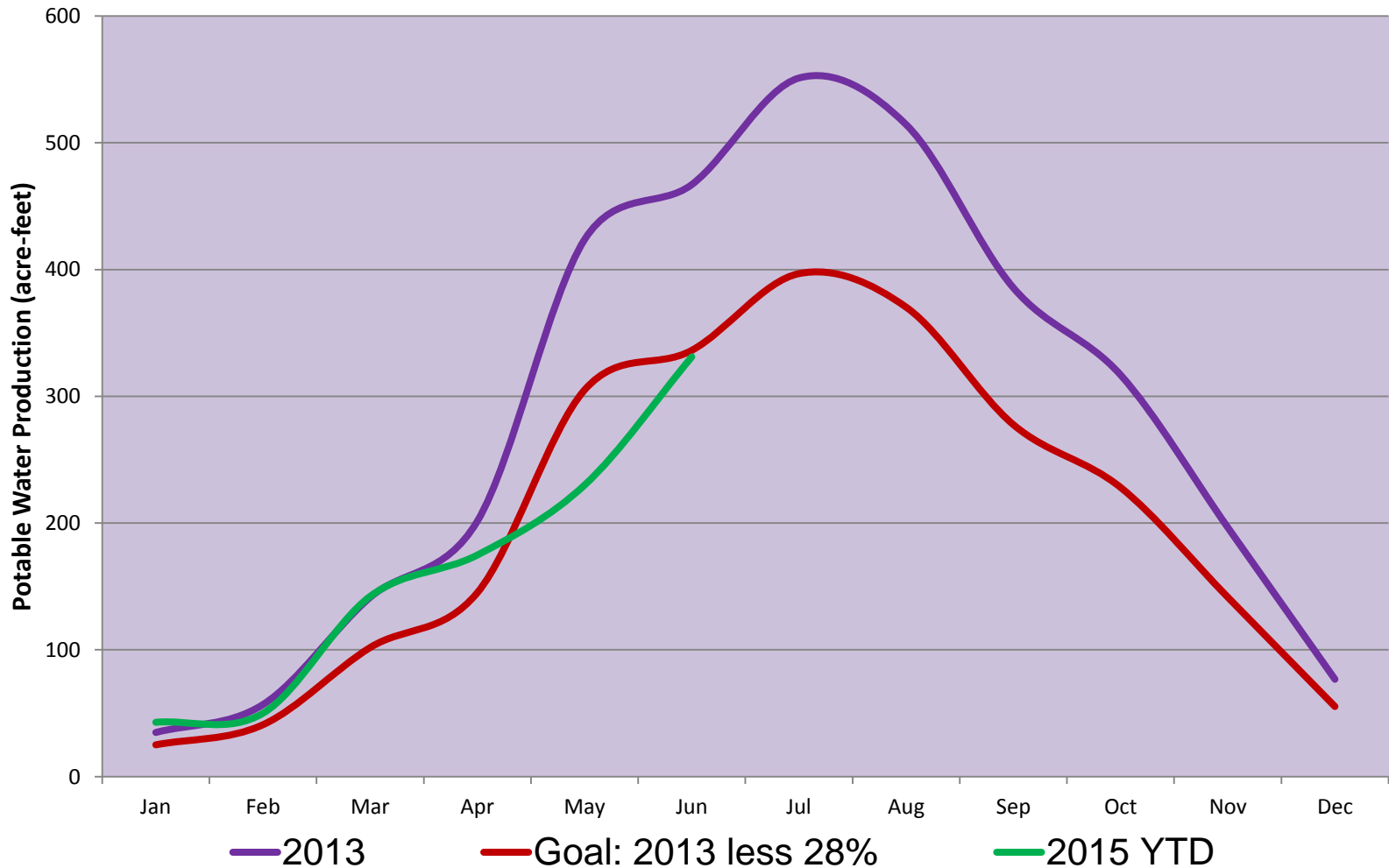
\*2013 baseline per State Water Board and RWA standard



# Recycled Water Conservation Progress

## Monthly Comparison - 2015 vs. 2013

(as of June 30, 2015)



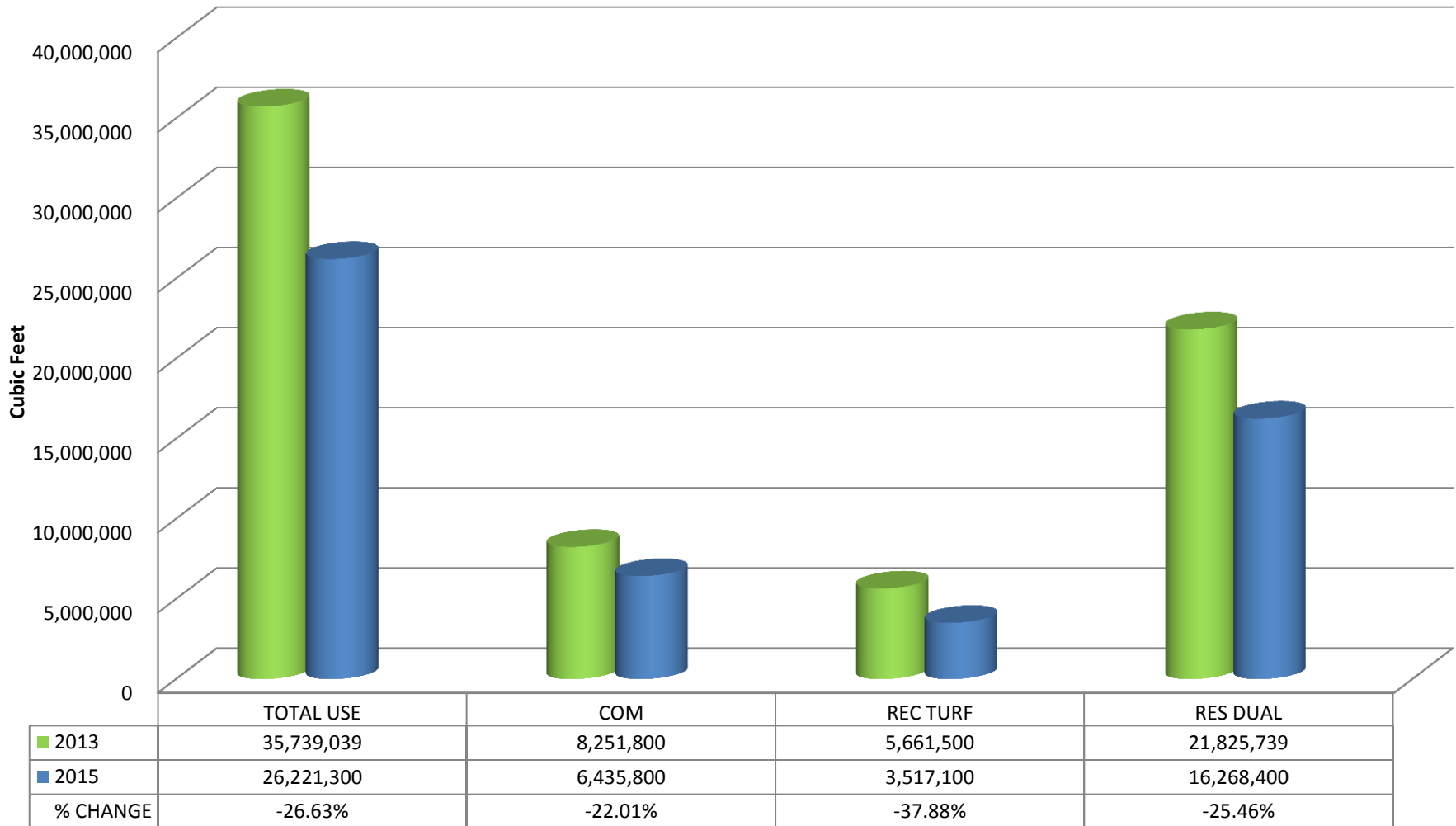
\*2013 baseline per State Water Board and RWA standard



# Recycled Metered Use Comparison

## 2015 Year to Date (cubic feet)

(as of June 8, 2015)

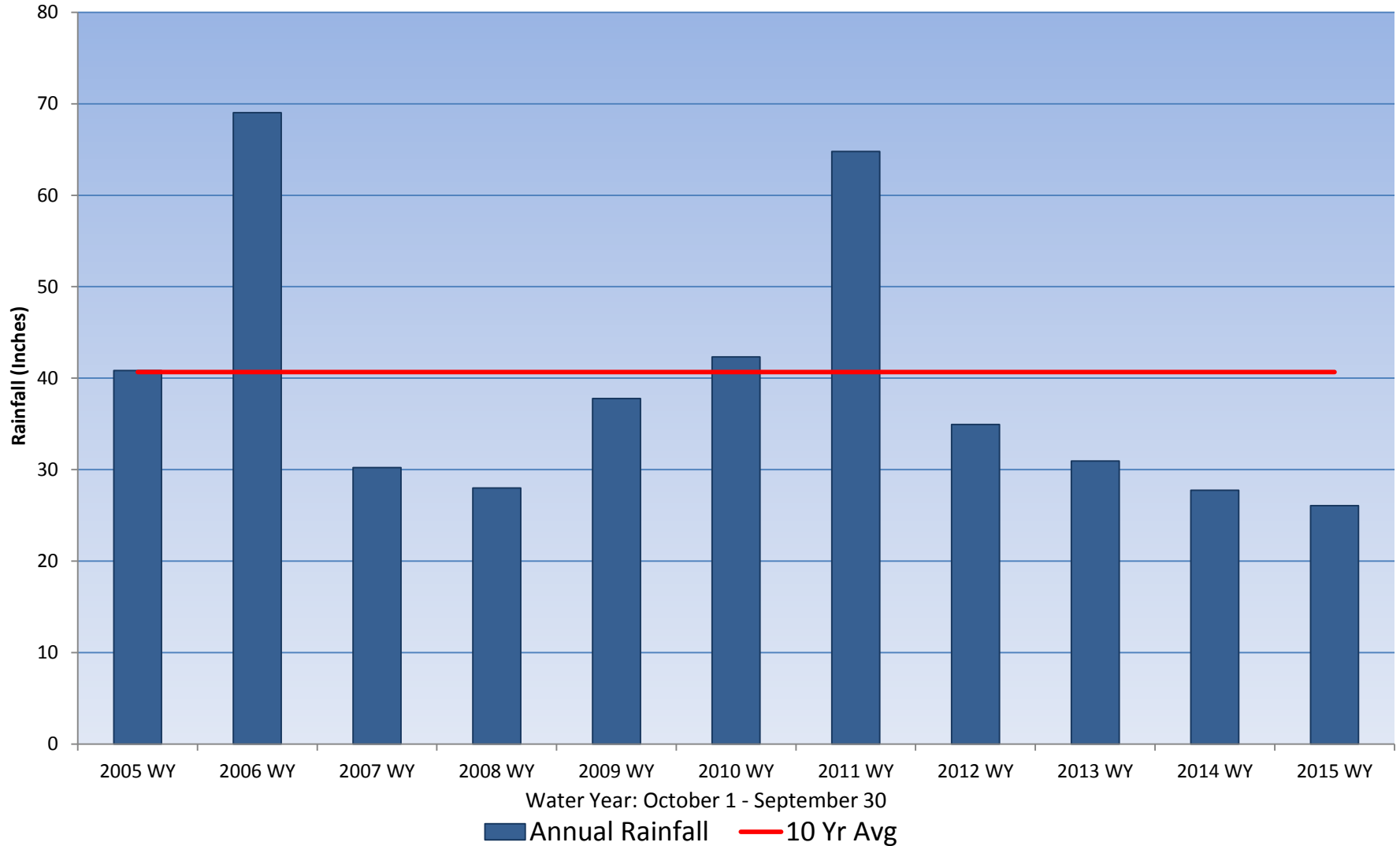




# El Dorado Irrigation District

## Annual Rainfall Totals

(as of June 30, 2015)





**EL DORADO IRRIGATION DISTRICT**

**Subject:** Ratification of EID General Warrant Registers for the periods ending June 16, June 23, June 30, 2015, and Board 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 agendaized 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 16, June 23, and June 30, 2015 totaling \$1,789,334.50, and Board 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.

<u>Register Date</u>	<u>Check Numbers</u>	<u>Amount</u>
June 16, 2015	647053 – 647163	\$ 1,011,869.04
June 23, 2015	647164 – 647284	\$ 224,994.91
June 30, 2015	647285 – 647433	\$ 552,470.55

*Current Board/Employee Expense Payments and Reimbursement Information*

The items paid on Attachment A and 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 Board and Employee Expense Reimbursements.

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

Option 3: Take no action.

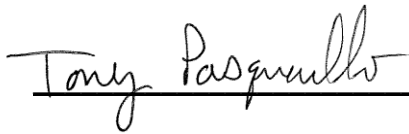
**Staff/General Manager’s Recommendation:**

Option 1.

**Support Documents Attached:**

Attachment A: Board Expenses/Reimbursements

Attachment B: Employee Expenses/Reimbursements totaling \$100 or more



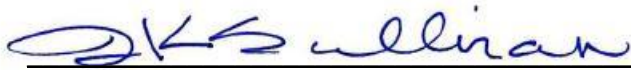
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Tony Pasquarello  
Accounting Manager



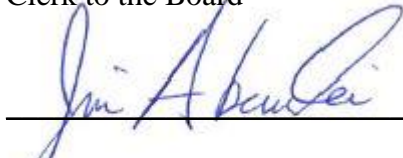
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Mark Price  
Director of Finance (CFO)



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Jennifer Sullivan  
Clerk to the Board



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Jim Abercrombie  
General Manager

**Attachment A**

**Board Expenses/Reimbursements**  
Warrant Registers dated 06/16/15 - 06/30/15

DESCRIPTION	William George	Alan Day	George Osborne	Dale Coco, MD	Greg Prada	Total
Personal Vehicle Expense	172.50		43.13	17.25		232.88
Hotel						0.00
Meals or Incidentals Allowance	5.00					5.00
Airfare, Car Rental, Misc Travel	8.00					8.00
Fax, Cell or Internet Service	40.00			40.00		80.00
Meeting or Conference Registration						0.00
Meals with Others						0.00
Membership Fees/Dues						0.00
Office Supplies (Osborne - computer stipend)			1,000.00			1,000.00
Reimburse prepaid expenses						0.00
Miscellaneous Reimbursements						0.00
	225.50	0.00	1,043.13	57.25	0.00	1,325.88

**Attachment B**

**Employee Expenses/Reimbursements**  
Warrant Registers dated 06/16/15 - 06/30/15

EMPLOYEE	DESCRIPTION	AMOUNT
Stevenson, Dan	Travel expenses - Microsoft training	\$763.66
Sundaram, Srinivasan	Travel expenses - SharePoint conference	\$184.30
Rice Robin (Bob)	Engineer certification renewal	\$115.00
Maker, Jacob	G4 operator exam fee	\$130.00
Tarbox, Scott	Travel expenses - Microsoft training	\$170.50
Proctor, James	Travel expenses - CISCO Live conference	\$1,502.43
Eberhard, Glenn	Travel expenses - CISCO Live conference	\$1,379.74
		<b>\$4,245.63</b>



**MINUTES**  
**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.

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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 in honor of former Board member Dick Akin who is recovering from a recent stroke.

## **ADOPT AGENDA**

**ACTION:** Agenda was adopted.

### **MOTION CARRIED**

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

## **COMMUNICATIONS**

General Manager's Employee Recognition

### 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.

## **APPROVE CONSENT CALENDAR**

**ACTION:** Consent Calendar was approved.

### **MOTION CARRIED**

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

## **PUBLIC COMMENT**

Ed Willyard, El Dorado Hills

## **COMMUNICATIONS**

### **Board of Directors**

Director Coco spoke about the El Dorado County Chamber of Commerce's 51st Annual Agricultural "Got Water" Tour that he attended which the District sponsored. He thanked District staff for their participation in this successful event.

Director Osborne mentioned that he also attended the Chamber's "Got Water" Tour. He briefly discussed two recent presentations that he made to local community groups.

Communications continued

**Clerk to the Board**

None

**General Manager**

2) Staff Reports and Updates

a) Drought Update and Conservation Progress – Summary by Brian Mueller

**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.

**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 Employee Expense Reimbursements.

**MOTION CARRIED**

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

**2. Clerk to the Board (Sullivan)**

Approval of the minutes of the June 8, 2015, regular meeting of the Board of Directors.

**ACTION:** Option 1: Approved as submitted.

**MOTION CARRIED**

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

**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).

**ACTION:** Option 1: Adopted Resolution No. 2015-012, approving and authorizing execution of the Easement Quitclaim as submitted.

**MOTION CARRIED**

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

**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.

**Public Comment:** Dave Sanders, Maintenance Manager, Serrano El Dorado Owners' Association  
Ed Willyard, El Dorado Hills

**MOTION:** Main motion by Director Day and seconded by Director Coco to approve option 2 and take other action as directed by the Board to agendize an item for the July 13 regular Board meeting to reconsider action previously taken on the pond-filling prohibition within the Drought Action Plan.

**MOTION:** Substitute motion by Director Coco to approve option 1. Motion failed due to lack of a second.

**MOTION:** Substitute motion by Director Prada to approve option 2 and take other action as directed by the Board to agendize an item for the August 10 regular Board meeting to reconsider action previously taken on the pond-filling prohibition within the Drought Action Plan. Motion failed due to lack of a second.

**ACTION:** Option 2: Took other action as directed by the Board to agendize an item for the July 13 regular Board meeting to reconsider action previously taken on the pond-filling prohibition within the Drought Action Plan.

### **MOTION CARRIED**

Ayes: Directors George, Coco, and Day

Noes: Directors Osborne and Prada

### **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.

**ACTION:** Option 1: Concurred with the Board President's request and adopted Resolution No. 2015-013, 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.

### **MOTION CARRIED**

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

## **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.

**Public Comment:** Joe Fuller, Cameron Park  
Ed Willyard, El Dorado Hills  
John Wilson, Shingle Springs  
Kirk Smith, Placerville

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

### **MOTION CARRIED**

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

### **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.

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

**MOTION:** Main motion by Director Osborne and seconded by Director Coco to approve option 1.

**MOTION:** Substitute motion by Director Prada and seconded by Director Day to approve option 2 and take other action as directed by the Board to take no funding action, direct staff to seek alternative funding sources other than debt for the Forebay Dam project, and bring back this project for Board action after developing a means to finance at least 50 percent of this project through grants and/or increased revenues.

### **MOTION FAILED**

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

**ACTION:** Option 1: Authorized \$421,416 in additional funding for design and environmental work for the Forebay Dam Modification Project.

**ACTION:** Subsidiary motion by Director Osborne and seconded by Director Day to 'call the question' which ends debate of the pending motion and calls for an immediate vote. This motion requires a majority vote.

### **MOTION CARRIED**

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

### **MOTION CARRIED**

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

**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.

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

**ACTION:** Option 2: Took other action as directed by the Board to continue this item to the next regular Board meeting and direct staff to agendize a closed session item prior to the Board's consideration of this item.

**MOTION CARRIED**

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

**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).

**ACTION:** The Board conferred with counsel and staff but took no action on any matter agendized under this item.

**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

**ACTION:** The Board conducted a discussion and evaluation of the General Counsel and General Manager's performance with both individuals present but took no action.

**REVIEW OF ASSIGNMENTS**

None

**ADJOURNMENT**

President George adjourned the meeting at 12:23 P.M.

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Bill George, President  
Board of Directors  
EL DORADO IRRIGATION DISTRICT

ATTEST:

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Jennifer Sullivan  
Clerk to the Board  
EL DORADO IRRIGATION DISTRICT

Approved: \_\_\_\_\_

## 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, June 22, 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, June 8, and June 22, 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 flow variance, which Resolution No. 2015-010 authorized and directed District staff to pursue, and on water rights curtailments.

The District’s 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, has now been pending for more than two months. Rather than simply duplicating their approval of last year, the staff newly assigned by the SWRCB and California Department of Fish and Wildlife are acting as if there is no precedent for it and proposing extremely onerous and expensive monitoring and investigative measures that will hinder the District’s effort to conserve potable water supplies. A letter from the General Manager to the SWRCB’s Executive Officer and Board members seeking their personal involvement to expedite this matter has, as of July 2, been ineffective. District staff and consultants continue to work diligently to obtain the regulators’ timely cooperation in processing this request.

On June 12, the SWRCB issued curtailments for pre-1914 water rights in the San Joaquin River basin with priority of 1903 or later in the state. This action prompted four lawsuits from affected water rights holders, challenging the SWRCB's jurisdiction, questioning the necessity of curtailment in the absence of any complaints by senior water rights holders, questioning the legality of curtailment under the priority system when there is no evidence that all junior water rights already curtailed have ceased diverting, and claiming that the curtailments violated due process since there was no prior evidentiary hearing.

No litigant has yet obtained a court order to block the curtailment, but in the litigation, the SWRCB appears to have retreated considerably in its characterization of the curtailments. The SWRCB is now characterizing them as "informational notices" and not as legally enforceable actions. In light of this, many curtailed water holders are assessing their options to resume diversions based upon their own assessment of whether water is legally available for diversion. Balanced against the desire to do so is the possibility of SWRCB enforcement and substantial fines. General Counsel is continuing to monitor these legal developments very closely.

On June 26, the SWRCB began issuing river-specific curtailments in the San Joaquin basin. The SWRCB curtailed all pre-1914 water rights on the Merced River, and all pre-1914 water rights on the upper San Joaquin (above Friant Dam and Millerton Reservoir) with priority of 1858 or later. These actions signal a new phase in curtailment actions and frankly are more appropriate and legally defensible than the broad-brush approach previously taken. Unfortunately, the SWRCB continues to fail to post any stream-specific analyses of water availability until after it curtails the rights.

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*).

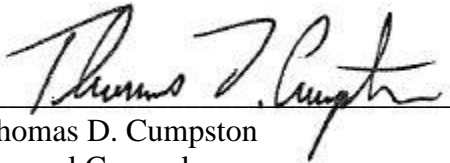


**Staff/General Manager's Recommendation:**

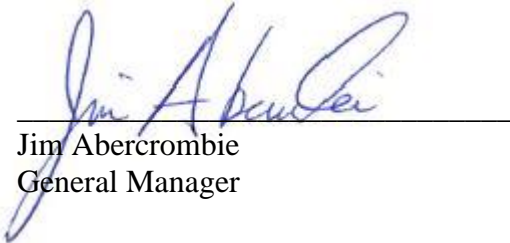
Option 1 (four-fifths vote required for purposes of bidding and contracting).

**Support Document Attached:**

A. Resolution 2015-010



Thomas D. Cumpston  
General Counsel



Jim Abercrombie  
General Manager



1           **WHEREAS**, the United States Bureau of Reclamation (Reclamation) has stated that it  
2 will deliver no more than the greater of public health and safety needs or 25% of adjusted  
3 historical average deliveries of Central Valley Project water to Municipal and Industrial  
4 contractors such as the District; and  
5

6           **WHEREAS**, Jenkinson Lake, the District's largest source of supply at 41,033 acre-feet  
7 capacity, is unlikely to fill in 2015 despite the importation of more than 8,000 acre-feet of water  
8 through the Hazel Tunnel in 2013 and 2014, and the planned importation of an additional 6,000  
9 acre-feet in 2015; and  
10

11           **WHEREAS**, on January 17, 2014, Governor Edmund G. Brown Jr. proclaimed a state of  
12 emergency in California due to drought conditions, and on April 25, 2014, the Governor  
13 proclaimed a continued state of emergency for the same reason; and  
14

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

- 17           • California's water supplies continue to be severely depleted;
- 18           • Extremely dry conditions have persisted since 2012 and the duration of this  
19 drought is unknown;
- 20           • Among the urgent challenges presented by the severe drought conditions is  
21 additional water scarcity if the conditions continue (as they have) into 2015;
- 22           • The magnitude of the severe drought conditions continues to present threats  
23 beyond the control of the services, personnel, equipment, and facilities of any  
24 single local government;  
25  
26  
27  
28

- 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



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

5 **WHEREAS**, the Board adopted the staff-prepared Drought Action Plan on February 4,  
6 2014, and approved revisions to the Drought Action Plan on April 14, 2014 and now wishes to  
7 approve further revisions to the Drought Action Plan;

8 **NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED** by the Board of  
9 Directors of the El Dorado Irrigation District (Board) as follows:  
10

- 11 1. The Board concurs with and adopts the findings of the Governor's January 17 and  
12 April 25, 2014 emergency proclamations.
- 13 2. The Board approves the further revised Drought Action Plan as separately adopted  
14 by Board motion on March 23, 2015.
- 15 3. The Board renews and continues a Stage 2 Water Warning.
- 16 4. The Board finds and declares that the current drought conditions constitute an  
17 emergency within the meaning of CEQA Guidelines section 15359, Public  
18 Contracts Code section 11102, District Board Policy 2050, and District  
19 Administrative Regulation 3061.1, subdivision g.
- 20 5. The Board finds and declares that the adoption of this Resolution and all of the  
21 delegations, authorizations, and directions to the General Manager and District  
22 staff specified in paragraph 7, below, satisfy the requirements and criteria of  
23 Public Resources Code section 21080(b)(4), CEQA Guidelines section 15269(c),  
24 and Public Contract Code sections 22050(a)(2) and 20567.  
25  
26  
27  
28

- 1 6. The foregoing findings and declarations are based upon all written, oral, and  
2 visual evidence, including both facts and professional opinions, presented to the  
3 Board at the meetings of February 4, 10, and 24, March 10 and 24, and April 2,  
4 14, and 28, May 12, and June 9, 2014, March 9, 2015, and at the hearing of this  
5 Resolution.  
6
- 7 7. The Board hereby delegates, authorizes, and directs the District General Manager  
8 and his designees to take all actions reasonably deemed necessary to respond to  
9 the emergency conditions declared herein, including but not limited to the  
10 following specific actions:  
11
  - 12 a. Pursue a new proposal with the Water Board for a temporary modification of  
13 the minimum instream flow requirements prescribed for the Deer Creek  
14 Wastewater Treatment Plant by Water Rights Order No. WR 95-9, to again  
15 minimize potable water supplementation of the recycled water system in 2015.  
16
  - 17 b. Continue consultation with and obtain all necessary regulatory approvals from  
18 the Federal Energy Regulatory Commission, U.S. Forest Service, Water  
19 Board, the California Department of Fish and Wildlife, and members of the  
20 Project 184 Ecological Resources Committee for temporary variances to  
21 Project 184's instream flow requirements as necessary to enhance and  
22 conserve Project 184 water storage for consumptive water supplies and future  
23 instream flows for as long as drought conditions persist.  
24
  - 25 c. Implement all Stage 2 drought actions detailed in Exhibit A.  
26  
27  
28





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

5 AYES: Directors Osborne, Coco, Prada, George, and Day

6 NOES:


7 ABSTAIN:

8 ABSENT:

9  
10 The motion having a majority of votes "Aye", the Resolution was declared to have been  
11 adopted, and it was so ordered.

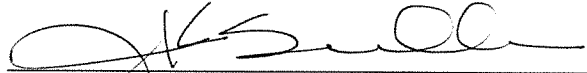
12  
13  
14   
15 Bill George  
16 President, Board of Directors of  
17 EL DORADO IRRIGATION DISTRICT

18 ATTEST:

19   
20 Jennifer Sullivan  
21 Clerk to the Board

22 (SEAL)  
23  
24  
25  
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27  
28

1 I, the undersigned, Clerk to the Board of the EL DORADO IRRIGATION DISTRICT hereby  
2 certify that the foregoing resolution is a full, true and correct copy of a Resolution of the Board of  
3 Directors of the EL DORADO IRRIGATION DISTRICT entered into and adopted at a special  
4 meeting of the Board of Directors held on the 23rd day of March, 2015.  
5  
6  
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8  
9 Jennifer Sullivan  
10 Clerk to the Board  
11 EL DORADO IRRIGATION DISTRICT  
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**EL DORADO IRRIGATION DISTRICT**

**SUBJECT:**

Consideration to award a contract to Diamond Pacific Lumber in the not-to-exceed amount of \$127,763.15 for the Canal and Flume Upgrades; Project No. 14014.

**Previous Board Action:**

May 12, 2014 – The Board awarded a contract to Sell Lumber Corporation in the not-to-exceed amount of \$64,468.76 for the Canal and Flume Upgrades; Project No. 14014

October 14, 2014 – The Board adopted the 2015 – 2019 Capital Improvement Plan that included this project, subject to funding availability

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

BP 3060, AR 3061.04: A single contract or commitment shall not exceed \$50,000 without approval by the Board of Directors.

**Summary of Issue:**

Annually during the scheduled El Dorado Canal (Canal) outage, District crews reline or replace degraded flumes, spillways, canals, and other related assets within the Canal system.

**Staff Analysis/Evaluation:**

Staff is proposing to reline portions of Flumes 45 and Flume 46 during this year’s canal outage. Approximately 2050 sheets of marine grade plywood will be required. The 2015 CIP includes an annual funding placeholder of \$100,000, and staff subsequently develops the actual scope of needed repairs during the year based on a review of flume condition and overall work scheduling during the outage.

The marine grade plywood in the quantity needed is not readily available and must be pre-ordered to have the material available and on site for the scheduled Canal outage. A bid request for the plywood was publicly advertised, posted on the District’s web site, and solicited from local lumber companies. Three bids were received from lumber companies located in northern California and are summarized in Table 1.

Table 1 – Marine Grade Plywood Bids

Company	Bid	7.50% Tax	Total Bid
Sell Lumber Corporation	\$113,298.57 <sup>(1)</sup>	\$8,497.39	\$121,795.96
Diamond Lumber Company	\$118,849.44	\$8,913.71	\$127,763.15
Gemini Forest Products	\$125,604.16	\$9,420.31	\$135,024.47

<sup>(1)</sup> Rejected non-responsive bid

Although Sell Lumber Corporation submitted the lowest bid, the bid was rejected because Sell Lumber Corporation did not acknowledge Addendum 1 of the Request for Bids, which requires the plywood to be certified and grade stamped. Therefore, staff is recommending the contract be awarded to Diamond Pacific Lumber who submitted the lowest responsive bid of \$127,763.15 including tax and freight. Diamond Pacific Lumber is a local company located in Placerville.

**Project Funding**

The Project would be funded through water FCCs (53%) and water rates (47%). The total amount of funding requested for the project at this time is \$127,763.15. Funding for capitalized labor for outage activities is currently being developed and will be requested in a subsequent meeting. The hydro operating budget includes a capitalized labor offset that reduces operating budget costs when District crews perform capital improvements to the system.

**Board Decisions/Options:**

**Option 1** – Award a contract to Diamond Pacific Lumber in the not-to-exceed amount of \$127,763.15 for the Canal and Flume Upgrades; Project No. 14014.

**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:**

A. Diamond Pacific Lumber Bid Sheet



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Daryl Noel  
Associate Engineer  
Water/Hydro Engineering Division



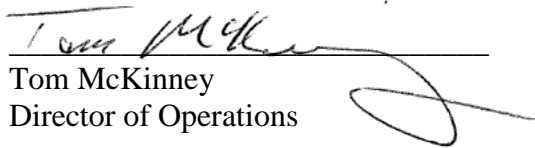
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Elizabeth Wells, P.E.  
Engineering Manager



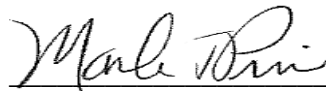
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Brian Mueller, P.E.  
Director of Engineering



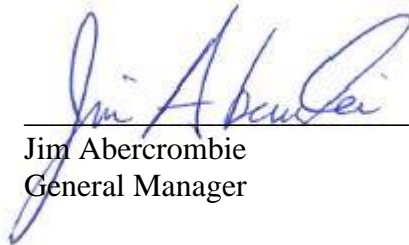
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Tom McKinney  
Director of Operations



---

Mark Price  
Director of Finance



---

Jim Abercrombie  
General Manager

**BID PRICE SHEET and SPECIFICATIONS RFB P15-03 Addendum 1**

**DELIVERY SCHEDULE:**

Direct job site delivery for all materials shall be on or before September 1, 2015. All materials shipped FOB Destination to: El Dorado Irrigation District Camp Five, 7225 Highway 50, Pollock Pines, CA 95726.

Item	Qty.	Description	Unit Price	Extension
HDO Marine Grade Plywood	1,415	APA 1/2 Performance Category High Density Overlay (HDO), B-B, marine grade 4'x8'. Aforementioned plywood must be grade stamped and grade certificate must be provided upon delivery.	55.13/pc	\$ 78,017.44
HDO Marine Grade Plywood	638 (1,276 split sheets)	APA 1/2 Performance Category High Density Overlay (HDO), B-B, marine grade 4'x8'. All 638 sheets of this lot shall be cut to the dimension of 2'x8' resulting in the total quantity 1,276 sheets. <u>Bid price shall be for each 2'x8' piece.</u> Aforementioned plywood must be grade stamped and grade certificate must be provided upon delivery.	32.00/pc	\$ 40,832.00

Delivery Cost (if any): .....\$ 0.  
 Grand Total Bid Price: .....\$ 118,849.44

Grand Total Bid Price written in words:  
one hundred eighteen thousand eight hundred forty nine dollars<sup>4</sup>/<sub>100</sub>

Include in days an estimated delivery time for plywood after award: 60 days.

Bidder's Acknowledgement Of it's Understanding Of The Terms and Conditions. Signature below verifies that Bidder has read, understands, and agrees to the conditions contained herein and on all of the attachments and agenda, including all specifications and Scope of Work. *Representations Made Under Penalty Of Perjury.* We hereby offer to sell the El Dorado Irrigation District the above item(s) at the prices shown and under the terms and conditions and appendices herein, attached, or incorporated by reference.

DIAMOND PACIFIC LUMBER  
 Company Name

Michael Kinney  
 Signature of Authorized Representative

150 FORNI RD, PLACERVILLE, CA 95667  
 Address

MIKE KINNEY  
 Name of Authorized Representative

Placerville, CA 95667  
 City, State, Zip Code

INSIDE SALES  
 Title of Authorized Representative

530.622.2680  
 Representative Phone Number

Cell Number

530-622-2975  
 Fax Number

E-mail  
Michael.KINNEY@PACCOAST.com

**EL DORADO IRRIGATION DISTRICT**

**Subject:**

Consideration to award contracts to Brenntag Pacific, Inc. and Univar USA, Inc. to supply as-needed liquid sodium hypochlorite and liquid sodium hydroxide for water and wastewater treatment for one year at an estimated cost of \$350,000, and authorize the General Manager to award two additional one-year contract extensions.

**Previous Board Action:**

July 22, 2013: Board awarded contracts to Sierra Chemical Co. and Univar USA, Inc. to provide Liquid Sodium Hypochlorite and Liquid Sodium Hydroxide.

December 8, 2014: Board adopted the 2015-2016 Operating Budget.

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

BP 3060 and AR 3061.04 require Board approval for all purchases over \$50,000.

AR 3061.07 authorizes “piggy-back” procurements of goods under pricing and terms established by another public entity or association through a competitive process.

**Summary of Issue(s):**

The purpose of this item is to award contracts to two suppliers to provide as-needed liquid sodium hypochlorite and liquid sodium hydroxide for water and wastewater treatment, based upon bid results of the Bay Area Chemical Consortium bids 13-2015 and 14-2015.

**Staff Analysis/Evaluation:**

Sodium hypochlorite 12.5% is a liquid disinfectant used in the water and wastewater treatment process. Although manufactured to exacting standards, it is similar to bottled bleach purchased in grocery stores. It is used at the Deer Creek and El Dorado Hills wastewater treatment plants for the recycled water distribution system. The amount of usage depends on factors such as the amount of effluent being treated, dosage rates, and the weather. Recycled water staff estimates a need of 85,000 gallons per year at both wastewater treatment plants combined.

In addition to its use as a disinfectant, it also provides necessary oxidation qualities required in the water treatment process. It is used at the El Dorado Hills Water Treatment Plant, Reservoir 1 and Reservoir A. The total estimated amount required for water treatment for one year is 120,000 gallons. Thus, the total estimated amount of liquid sodium hypochlorite required for water and wastewater treatment for one year is 205,000 gallons.

Liquid sodium hydroxide is also used at both the water and wastewater treatment plants. It is used at the Deer Creek and El Dorado Hills wastewater treatment plants to provide optimum pH and alkalinity control for both compliance and process optimization, and it is used as an odor control agent in the wastewater collection system.



Although hydroxide is bid per dry pound, depending on operating conditions at the treatment plants, the system requires a mix in liquid form of either a 30% or 50% solution. Approximately 150 dry tons of 30% solution and 275 dry tons of 50% solution will be required in a one-year period for wastewater.

Approximately 50 dry tons of a 25% solution are used in the water treatment process at the El Dorado Hills, Reservoir 1, and Reservoir A in one year. It is used to make alkalinity adjustments in source water and pH control in the distribution system to inhibit corrosion.

Thus, the total estimated amount of liquid sodium hydroxide required for water and wastewater in one year is 475 dry tons. Both sodium hypochlorite and sodium hydroxide are purchased in bulk and delivered by tanker truck to the treatment plants.

In 2013 the Board awarded contracts to the District’s current suppliers utilizing competitive bids created by the Regional Water Authority (RWA). The bids were created in collaboration with its member agencies including EID. This year, RWA collaborated with a group of water and wastewater agencies in the Bay Area known as the Bay Area Chemical Consortium (BACC) which purchases treatment chemicals. The inclusion of RWA member agencies into the BACC was an effort to create a larger number of customers for the awarded bidders and therefore potentially further reduce the costs of chemicals. After reviewing all treatment chemicals currently purchased for District use, staff determined hypochlorite and hydroxide would be included as part of the BACC bid requests. Staff required the BACC contract documents provide the same protection for the District as its own contracts, including the right not to be obligated to participate in the award of contracts. BACC administered competitive bid requests for each of the two chemicals. The low bid results and a cost comparison of the District’s current costs are indicated in below.

Liquid Sodium Hypochlorite Bid 14-2015

Low Bidder	Bid Item	Bid Price Per Gallon	Current EID Price Per Gallon	Cost Savings To EID Per Gallon Via BACC Bid
Univar USA, Inc.	12.5% Solution	\$0.521	\$0.525	\$0.004

Liquid Sodium Hydroxide Bid 13-2015

Low Bidder	Bid Item	Bid Price Per Dry lb.	Current EID Price Per Dry lb.	Cost Savings To EID Per Dry lb. Via BACC Bid
Brenntag Pacific, Inc.	25% Solution	\$0.2075	\$0.2760	\$0.0685
	30% Solution	\$0.2035	\$0.2610	\$0.0575
	50% Solution	\$0.1970	\$0.2375	\$0.0405

The BACC bid prices present a savings in annual hypochlorite purchases, but the amount is minimal. Significant savings will occur for hydroxide purchases, estimated at approximately \$47,000 annually. Staff requests the Board’s approval to enter into contracts with the low bidders, Univar USA, Inc. and Brenntag Pacific, Inc. for a period of one year.

A potential for two additional one-year periods of service exist within these agreements if a supplier agrees to maintain the low bid price at the beginning of each annual interval. If staff determines there is a cost benefit, the request can be presented to the General Manager for consideration in an effort to expedite a renewal and maintain services. The request to authorize the General Manager is included as part of Option 1.

**Board Decision/Options:**

Option 1: Award contracts to Brenntag Pacific, Inc. and Univar USA, Inc. to supply as-needed liquid sodium hypochlorite and liquid sodium hydroxide for water and wastewater treatment for one year at an estimated cost of \$350,000, and authorize the General Manager to award two additional one-year contract extensions.

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

Option 3: Take no action.

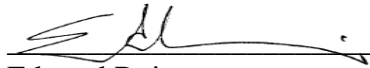
**Staff/General Manager's Recommendation:**

Option 1.

**Support Documents Attached:**

A. BACC Intent to Award Letter to Brenntag Pacific, Inc. and Bid Summary Page

B. BACC Intent to Award Letter to Univar USA, Inc. and Bid Summary Page



Edward Ruiz  
Buyer, General Services



Steve Griffin  
Purchasing Agent, General Services Supervisor

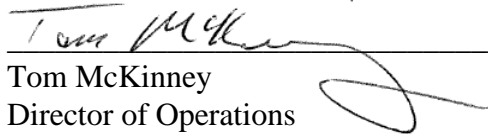


Margaret Washko  
Division Manager - Wastewater, Recycle Water

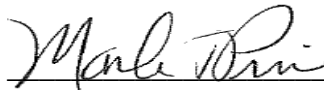
for



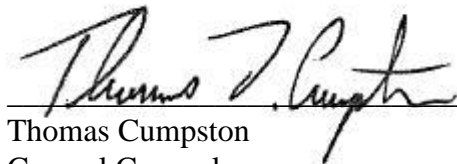
Dana Strahan  
Division Manager – Water Operations



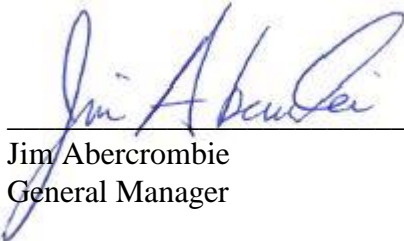
Tom McKinney  
Director of Operations



Mark Price  
Director of Finance



Thomas Cumpston  
General Counsel



Jim Abercrombie  
General Manager



**Dublin San Ramon  
Services District**  
*Water, wastewater, recycled water*

Regional Wastewater Treatment Facility  
7399 Johnson Drive  
Pleasanton, CA 94588

(925) 846-4565  
www.dsrds.com

May 13, 2015

Brenntag Pacific, Inc.  
Attention: Kosta Skourtis  
10747 Patterson Place  
Santa Fe Springs, CA 90670

Re: Notice of Intent to Award Contract in Response to Bay Area Chemical Consortium (BACC)  
Bid No. 13-2015 for Supply and Delivery of Sodium Hydroxide

Dear Mr. Skourtis,

After completing our review of the bids that were received in response to the Bay Area Chemical Consortium (BACC) solicitation for sodium hydroxide, Bid No. 13-2015, we are pleased to advise you that the bid submitted by Brenntag Pacific, Inc. has been found to be complete and in compliance with all of the specifications described in the bid documents. Furthermore, the bid submitted by Brenntag Pacific, Inc. was determined to be the lowest responsive bid for the supply and delivery of sodium hydroxide during the period July 1, 2015 through June 30, 2016, for the following Regions:

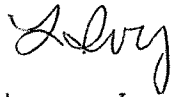
- North Bay
- East Bay
- South Bay
- Tri-Valley
- Marin-Sonoma-Napa
- Sacramento Area
- Central Valley

Enclosed is a copy of the final bid tabulation results. Our review of the bid is complete, and the participating BACC Agencies should be contacting you shortly to discuss entering into contracts with Brenntag Pacific, Inc. for their respective facilities.

Bay Area Chemical Consortium sincerely appreciates your efforts and participation in the competitive bid process.

If you have any questions, please feel free to contact me at (925) 875-2398.

Sincerely,

A handwritten signature in cursive script, appearing to read "L. Ivy".

Louanne Ivy

Administrative Analyst II – Operations

DUBLIN SAN RAMON SERVICES DISTRICT

Cc: Bay Area Chemical Consortium Member Agencies

Enclosure

BAY AREA CHEMICAL CONSORTIUM (BACC)  
 FINAL BID TABULATION FOR BID NO. 13-2015  
 SUPPLY AND DELIVERY OF SODIUM HYDROXIDE  
 OPEN DATE: TUESDAY, APRIL 14, 2015 @ 9:00 A.M. PDT

Bidder	NORTH BAY		EAST BAY		TRI-VALLEY	
	Unit Price Per Dry Lb. 30% NaOH	Unit Price Per Dry Lb. 50% NaOH	Unit Price Per Dry Lb. 25% NaOH	Unit Price Per Dry Lb. 50% NaOH	Unit Price Per Dry Lb. 25% NaOH	Unit Price Per Dry Lb. 50% NaOH
	Univar USA Inc.	\$0.228	\$0.2075	\$0.2391	\$0.207	\$0.2389
<b>Brenntag Pacific, Inc.</b>	<b>\$0.2035</b>	<b>\$0.1970</b>	<b>\$0.2035</b>	<b>\$0.1970</b>	<b>\$0.2075</b>	<b>\$0.1970</b>
Olin Corporation	\$0.252	\$0.24	\$0.264	\$0.242	\$0.26	\$0.24
Northstar Chemical	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid
Sierra Chemical Co.	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid

Bidder	MARIN-SONOMA-NAPA		CENTRAL VALLEY		SACRAMENTO		
	Unit Price Per Dry Lb. 25% NaOH	Unit Price Per Dry Lb. 50% NaOH	Unit Price Per Dry Lb. 25% NaOH	Unit Price Per Dry Lb. 50% NaOH	Unit Price Per Dry Lb. 25% NaOH	Unit Price Per Dry Lb. 30% NaOH	Unit Price Per Dry Lb. 50% NaOH
	Univar USA Inc.	\$0.2389	\$0.207	\$0.2389	\$0.2095	\$0.2674	\$0.259
<b>Brenntag Pacific, Inc.</b>	<b>\$0.2075</b>	<b>\$0.1970</b>	<b>\$0.2035</b>	<b>\$0.1970</b>	<b>\$0.2075</b>	<b>\$0.2035</b>	<b>\$0.1970</b>
Olin Corporation	\$0.268	\$0.245	\$0.26	\$0.238	\$0.29	\$0.29	\$0.29
Northstar Chemical	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid
Sierra Chemical Co.	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid

Bidder	SOUTH BAY						
	Unit Price Per Dry Lb. 25% NaOH	Estimated Quantity - Lbs. 25% NaOH	Total Estimated Cost 25% NaOH	Unit Price Per Dry Lb. 50% NaOH	Estimated Quantity - Lbs. 50% NaOH	Total Estimated Cost 50% NaOH	South Bay Total Overall Cost
	Univar USA Inc.	\$0.223	26,000	\$5,798.00	\$0.2074	4,000,000	\$829,600.00
<b>Brenntag Pacific, Inc.</b>	<b>\$0.2450</b>	26,000	<b>\$6,370.00</b>	<b>\$0.1970</b>	4,000,000	<b>\$788,000.00</b>	<b>\$794,370.00</b>
Olin Corporation	\$0.31	26,000	\$8,060.00	\$0.21	4,000,000	\$840,000.00	\$848,060.00
Northstar Chemical	No Bid			No Bid			
Sierra Chemical Co.	No Bid			No Bid			

**Lowest Responsive Bid**

	<u>Optional Bid</u> Union Sanitary District - Unit Price Per Dry Lb.
Univar USA Inc.	\$0.95
Brenntag Pacific, Inc.	\$0.95
Olin Corporation	No Bid
Northstar Chemical	No Bid
Sierra Chemical Co.	No Bid



May 13, 2015

Univar USA Inc.  
Attention: WER Muni Team  
8201 S. 212<sup>th</sup> Street  
Kent, WA 98032

Re: Notice of Intent to Award Contract in Response to Bay Area Chemical Consortium (BACC)  
Bid No. 14-2015 for Supply and Delivery of 12.5% Sodium Hypochlorite

Dear WER Muni Team,

After completing our review of the bids that were received in response to the Bay Area Chemical Consortium (BACC) solicitation for 12.5% sodium hypochlorite, Bid No. 14-2015, we are pleased to advise you that the bid submitted by Univar USA Inc. has been found to be complete and in compliance with all of the specifications described in the bid documents. Furthermore, the bid submitted by Univar USA Inc. was determined to be the lowest responsive bid for the supply and delivery of 12.5% sodium hypochlorite during the period July 1, 2015 through June 30, 2016, for the following Regions:


- North Bay
- East Bay
- South Bay
- Tri-Valley
- Peninsula
- Marin-Sonoma-Napa
- Sacramento Area
- Central Valley

Enclosed is a copy of the final bid tabulation results. Our review of the bid is complete, and the participating BACC Agencies should be contacting you shortly to discuss entering into contracts with Univar USA Inc. for their respective facilities.

Bay Area Chemical Consortium sincerely appreciates your efforts and participation in the competitive bid process.

If you have any questions, please feel free to contact me at (925) 875-2398.

Sincerely,

A handwritten signature in black ink, appearing to read "L. Ivy".

Louanne Ivy

Administrative Analyst II – Operations

DUBLIN SAN RAMON SERVICES DISTRICT

Cc: Bay Area Chemical Consortium Member Agencies

Enclosure



BAY AREA CHEMICAL CONSORTIUM (BACC)  
 FINAL BID TABULATION FOR BID NO. 14-2015  
 SUPPLY AND DELIVERY OF 12.5% SODIUM HYPOCHLORITE  
 OPEN DATE: TUESDAY, APRIL 14, 2015 @ 9:00 A.M. PDT

BIDDER	North Bay Unit Price Per Gallon	East Bay Unit Price Per Gallon	South Bay Unit Price Per Gallon	Tri-Valley Unit Price Per Gallon	Peninsula Unit Price Per Gallon	Marin-Sonoma- Napa Unit Price Per Gallon	Sacramento Unit Price Per Gallon	Central Valley Unit Price Per Gallon
Hasa Inc.	\$0.715	No Bid	No Bid	\$0.756	No Bid	No Bid	No Bid	No Bid
<b>Univar USA Inc.</b>	<b>\$0.4015</b>	<b>\$0.4111</b>	<b>\$0.4105</b>	<b>\$0.4025</b>	<b>\$0.425</b>	<b>\$0.5210</b>	<b>\$0.5210</b>	<b>\$0.4685</b>
Olin Corporation	\$0.505	\$0.505	\$0.415	\$0.505	\$0.525	\$0.535	\$0.545	\$0.505
Sierra Chemical Co.	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80
Northstar Chemical	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid
Thatcher Company of California	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid

**Lowest Responsive Bid**

	<u>OPTIONAL BID ITEMS</u>			
	<u>North Bay</u> Ironhouse Sanitary District Unit Price/Gal	<u>South Bay</u> City of Gilroy Unit Price/Gal	<u>South Bay</u> City of Morgan Hill Unit Price/Gal	<u>Sacramento</u> Placer County Water Agency Unit Price/Gal
Hasa Inc.	No Bid	No Bid	No Bid	No Bid
Univar USA Inc.	\$1.9933	\$2.71	\$1.9186	\$2.71
Olin Corporation	No Bid	No Bid	No Bid	No Bid
Sierra Chemical Co.	\$1.85	\$2.20	\$2.05	\$2.60
Northstar Chemical	No Bid	No Bid	No Bid	No Bid
Thatcher Company of California	No Bid	No Bid	No Bid	No Bid



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7399 Johnson Drive  
Pleasanton, CA 94588

(925) 846-4565  
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May 13, 2015

Univar USA Inc.  
Attention: WER Muni Team  
8201 S. 212<sup>th</sup> Street  
Kent, WA 98032

Re: Notice of Intent to Award Contract in Response to Bay Area Chemical Consortium (BACC)  
Bid No. 14-2015 for Supply and Delivery of 12.5% Sodium Hypochlorite

Dear WER Muni Team,

After completing our review of the bids that were received in response to the Bay Area Chemical Consortium (BACC) solicitation for 12.5% sodium hypochlorite, Bid No. 14-2015, we are pleased to advise you that the bid submitted by Univar USA Inc. has been found to be complete and in compliance with all of the specifications described in the bid documents. Furthermore, the bid submitted by Univar USA Inc. was determined to be the lowest responsive bid for the supply and delivery of 12.5% sodium hypochlorite during the period July 1, 2015 through June 30, 2016, for the following Regions:


- North Bay
- East Bay
- South Bay
- Tri-Valley
- Peninsula
- Marin-Sonoma-Napa
- Sacramento Area
- Central Valley

Enclosed is a copy of the final bid tabulation results. Our review of the bid is complete, and the participating BACC Agencies should be contacting you shortly to discuss entering into contracts with Univar USA Inc. for their respective facilities.

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If you have any questions, please feel free to contact me at (925) 875-2398.

Sincerely,

A handwritten signature in cursive script, appearing to read "L. Ivy".

Louanne Ivy

Administrative Analyst II – Operations

DUBLIN SAN RAMON SERVICES DISTRICT

Cc: Bay Area Chemical Consortium Member Agencies

Enclosure

BAY AREA CHEMICAL CONSORTIUM (BACC)  
 FINAL BID TABULATION FOR BID NO. 14-2015  
 SUPPLY AND DELIVERY OF 12.5% SODIUM HYPOCHLORITE  
 OPEN DATE: TUESDAY, APRIL 14, 2015 @ 9:00 A.M. PDT

BIDDER	North Bay Unit Price Per Gallon	East Bay Unit Price Per Gallon	South Bay Unit Price Per Gallon	Tri-Valley Unit Price Per Gallon	Peninsula Unit Price Per Gallon	Marin-Sonoma- Napa Unit Price Per Gallon	Sacramento Unit Price Per Gallon	Central Valley Unit Price Per Gallon
Hasa Inc.	\$0.715	No Bid	No Bid	\$0.756	No Bid	No Bid	No Bid	No Bid
<b>Univar USA Inc.</b>	<b>\$0.4015</b>	<b>\$0.4111</b>	<b>\$0.4105</b>	<b>\$0.4025</b>	<b>\$0.425</b>	<b>\$0.5210</b>	<b>\$0.5210</b>	<b>\$0.4685</b>
Olin Corporation	\$0.505	\$0.505	\$0.415	\$0.505	\$0.525	\$0.535	\$0.545	\$0.505
Sierra Chemical Co.	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80
Northstar Chemical	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid
Thatcher Company of California	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid

**Lowest Responsive Bid**

	<u>OPTIONAL BID ITEMS</u>			
	<u>North Bay</u> Ironhouse Sanitary District Unit Price/Gal	<u>South Bay</u> City of Gilroy Unit Price/Gal	<u>South Bay</u> City of Morgan Hill Unit Price/Gal	<u>Sacramento</u> Placer County Water Agency Unit Price/Gal
Hasa Inc.	No Bid	No Bid	No Bid	No Bid
Univar USA Inc.	\$1.9933	\$2.71	\$1.9186	\$2.71
Olin Corporation	No Bid	No Bid	No Bid	No Bid
Sierra Chemical Co.	\$1.85	\$2.20	\$2.05	\$2.60
Northstar Chemical	No Bid	No Bid	No Bid	No Bid
Thatcher Company of California	No Bid	No Bid	No Bid	No Bid

**EL DORADO IRRIGATION DISTRICT**

**Subject:** Consideration of a resolution to set the tax rate for the General Obligation bonds, approve non-ad valorem charges, and authorize El Dorado County to place and collect charges for the 2015/2016 tax roll year; and resolution to set the Annexation Impact Fee Rate.

**Previous Board Action:**

July 28, 2014 – Board adopted resolutions for the tax roll year 2014/2015. (Attachment A)

September 11, 1995 - Board adopted Resolution 95-106, setting the Annexation Impact Fee. (Attachment B)

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

AR 11040 states that the Annexation Impact Fee reimburses the District for one year's taxes based on a 10-year average tax rate per \$100 assessed land value paid for tax Class 207 voter approved debt. The fee will be updated annually and applied to the current assessed land value of the property.

**Background:**

The General Obligation debt was originally a contract between this District and the Bureau of Reclamation (Bureau) for the construction of the Distribution Mains. It was initially voted on in 1959 and was taken back to the voters for additional money in 1969, 1972, and 1975, bringing the total amount of money borrowed to \$25 million. The voters within the District's boundaries have approved all the amendments to the original contract. In 2003 the District's debt to the Bureau was cancelled in connection with the purchase of Sly Park. The debt to the Bureau, in the amount of \$12,102,688.23, was replaced by the issuance of the 2003 General Obligation bonds for \$6,000,000 to finance the remaining balance due for the purchase of Sly Park. This assessment is based upon land value only and is determined by taking the annual amount of debt service and dividing it by the land value.

**Summary of Issue:**

On an annual basis, staff sends assessments, delinquent utility charges, lien release fees, and sets the approved debt rate for the tax roll. The Board of Directors adopts resolutions for these assessments, charges, and the General Obligation debt to be placed on the El Dorado County tax roll. The tax roll charges are for maintenance districts and delinquent water and wastewater charges. The dollar amount assessed for maintenance districts is in accordance with adopted resolutions. The delinquent utility charges are based upon what is owed, and the lien release fees are based upon what the County charges to release a lien. These tax roll charges are collected through a levy on the 2015/2016 El Dorado County property tax roll. The Board approves the assessment roll for the year 2015/2016 through resolution that authorizes El Dorado County to place and collect charges on behalf of El Dorado Irrigation District. (Attachment D)

The Board annually updates the Annexation Impact Fee at the time the assessment values are recalculated. In 1995, the Board approved the methodology of using a 10-year rolling average of the Voter Approved Debt tax rate per public hearing and resolution 95-106 for this calculation.

**Staff Analysis/Evaluation:**

Funds required to pay the General Obligation debt service during the tax year 2015/2016 total \$494,310.41, and the total secured land only assessed value per the County of El Dorado – Auditor Controllers Office as of July 3, 2015 is \$5,287,236,238. By dividing the annual debt service requirement by the secured assessed land only value, the tax rate for the General Obligation debt for 2015/2016 is \$0.0093 (as compared to \$.0102 for 2014/2015) per \$100.00 on secured assessed land only value. (Attachment C)

The calculated 2015/2016 Annexation Impact Fee, representing a 10-year rolling average of the previous year’s Voter Approved Debt tax rates, is \$0.0100 (as compared to \$0.0095 for 2014/2015). This fee will be applied to assessed land values. (Attachment E)

**Board Decision/Options:**

**Option 1:**

A. Adopt a resolution, setting the tax rate for the voter-approved debt, approving non-ad valorem charges, authorizing El Dorado County Auditor/Controller’s Office to place said charges on the tax roll and the Tax Collector’s Office to collect said charges for the tax roll year 2015/2016. (Attachment F)

B. Adopt a resolution, setting the Annexation Impact Fee rate for the tax year 2015/2016. (Attachment G)

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

**Option 3:** Take no action. *This option would result in non-collection of taxes for the 2015/2016-tax roll year.*

**Staff/General Manager’s Recommendation:**

Option 1.

**Support Documents Attached:**

Attachment A: Board Minutes dated July 28, 2014

Attachment B: Resolution 95-106, Setting the Annexation Impact Fee

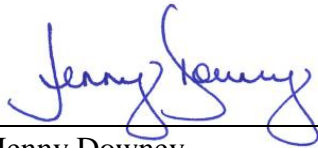
Attachment C: General Obligation Debt, Tax Class 207

Attachment D: Tax Roll Recap 2015/2016

Attachment E: Annexation Fee-10 Year Average Annual Tax Class 207

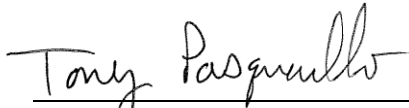
Attachment F: Resolution of the Board of Directors of El Dorado Irrigation District Setting the Tax Rate for the General Obligation Debt, approving Non-Ad Valorem Charges, authorizing El Dorado County Auditor/Controller’s Office to place said Charges on the Roll and the Tax Collector’s Office to collect said Charges for the Tax Roll Year 2015/2016

Attachment G: Resolution Setting the Annexation Impact Fee Rate for the Tax Year 2015/2016



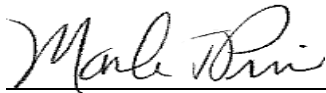
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Jenny Downey  
Customer Service Manager



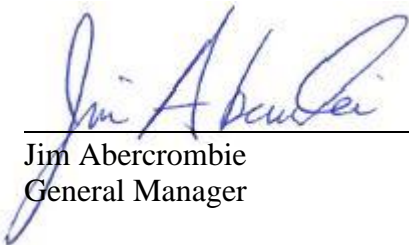
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Tony Pasquarello  
Accounting Manager



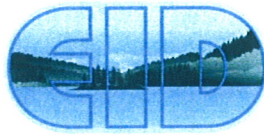
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Mark Price  
Director of Finance



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Jim Abercrombie  
General Manager



**MINUTES  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
EL DORADO IRRIGATION DISTRICT  
District Board Room, 2890 Mosquito Road, Placerville, California  
July 28, 2014 ~ 9:00 A.M.**

**Board of Directors**

**ALAN DAY  
BOARD PRESIDENT  
Division V**

**BILL GEORGE  
BOARD VICE PRESIDENT  
Division III**

**George W. Osborne  
Board Director  
Division I**

**Greg Prada  
Board Director  
Division II**

**Dale Coco, MD  
Board Director  
Division IV**

**General Manager and  
Executive Staff**

**JIM ABERCROMBIE  
GENERAL MANAGER**

**THOMAS D. CUMPSTON  
GENERAL COUNSEL**

**Jennifer Sullivan, Clerk to the Board**

**Mary Lynn Carlton, Communications  
and Community Relations**

**Vicki Hoffman, 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](mailto: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 three 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**

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

### **Roll Call**

#### **Board**

Present: Directors Osborne, Prada, George, and Day

Absent: Director Coco

#### **Staff**

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

### **Pledge of Allegiance and Moment of Silence**

President Day led the Pledge of Allegiance followed by a moment of silence.

## **ADOPT AGENDA**

**ACTION:** Agenda was adopted.

### **MOTION CARRIED**

Ayes: Directors George, Prada, Osborne, and Day

Absent: Director Coco

## **COMMUNICATIONS**

### **General Manager's Employee Recognition**

#### 1) Awards and Recognitions

- a) Congratulations, Renee Barragan. Renee has been promoted as a replacement to the position of Senior Finance Assistant in the Customer Services Division.
- b) Congratulations, Ann Mendoza. Ann has been promoted as a replacement to the position of Administrative Technician in the Hydro/Watershed Management Division.
- c) Welcome to the District, John Peterson. John has been hired as a replacement to the position of Chemist in the Wastewater/Recycled Water Division.

## **APPROVE CONSENT CALENDAR**

**ACTION:** Clerk to the Board Sullivan pulled Item No. 2. Director Prada pulled Item No. 3. Consent Calendar was then approved as amended.

### **MOTION CARRIED**

Ayes: Directors George, Osborne, Prada, and Day

Absent: Director Coco

## **PUBLIC COMMENT**

Joe Fuller, Cameron Park

## COMMUNICATIONS

### Board of Directors

Director George commented on the quarterly Association of California Water Agencies (ACWA) Board of Directors meeting and workshops that he recently attended.

Director Prada discussed a handout that he provided to the Board titled *Comparative EID water pricing by Customer Class (2013): (Preliminary estimates pending actuals from EID Mgmt.)*

Director Osborne thanked Vickie Caulfield, Wastewater/Recycled Water Manager, and the El Dorado Hills Wastewater Treatment Plant staff for his recent tour of that facility.

Director Day mentioned a Sacramento Bee article on statewide water conservation.

### Clerk to the Board

None

### General Manager

#### 2) Staff Reports and Updates

- a) Update on Stage 2 Drought Conservation Progress – Summary by Brian Mueller  
General Manager Abercrombie briefly spoke about the Sand Fire in southern El Dorado County and the temporary suspension of watering restrictions in Outingdale.

## CONSENT CALENDAR

### 1. Finance (Pasquarello)

Ratification of EID General Warrant Registers for the periods ending July 8 and July 15, 2014, and Board Expense Reimbursements for these periods.

**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 Expense Reimbursements.

### MOTION CARRIED

Ayes: Directors George, Osborne, Prada, and Day

Absent: Director Coco

### 2. Clerk to the Board (Sullivan)

Approval of the minutes of the July 14, 2014, regular meeting of the Board of Directors.

**ACTION:** Option 2: Took other action as directed by the Board.

Corrected the last sentence of action taken on Action Item No. 11 as follows: Directed staff to lift the moratorium on the processing of applications for small farm eligibility, process all pending applications under the revised regulation and continue moratorium on new applications until emergency drought declaration is discontinued by the Board. Minutes approved as corrected.

### MOTION CARRIED

Ayes: Directors Osborne, George, Prada, and Day

Absent: Director Coco

**3. Office of the General Counsel (Cumpston)**

Ratification of Resolution No. 2014-011, to maintain drought emergency declaration.

**ACTION:** Option 1: Ratified Resolution No. 2014-011, *(thus maintaining the emergency declaration for the purposes of CEQA compliance but not bidding and contracting)*.

**MOTION CARRIED**

Ayes: Directors Osborne, George, and Day

Noes: Director Prada

Absent: Director Coco

**4. Finance (Downey/Pasquarello)**

Consideration of a resolution to set the tax rate for the general obligation bonds, approve non-ad valorem charges, and authorize El Dorado County to place and collect charges for the 2014/2015 tax roll year; and resolution to set the Annexation Impact Fee Rate.

**ACTION:** Option 1: A. Adopted a Resolution No. 2014-014, setting the tax rate for the voter-approved debt, approving non-ad valorem charges, authorizing El Dorado County Auditor/Controller's Office to place said charges on the tax roll and the Tax Collector's Office to collect said charges for the tax roll year 2014/2015. (Attachment F)  
B. Adopted Resolution No. 2014-015, setting the Annexation Impact Fee Rate for the tax year 2014/2015. (Attachment G)

**MOTION CARRIED**

Ayes: Directors George, Osborne, Prada, and Day

Absent: Director Coco

**5. Office of the General Counsel (Johnson)**

Consideration of a resolution to authorize execution of two separate easement quitclaims to property owners Sharon G. Escobar and Mathew Veerkamp for portions of the abandoned Gold Hill Ditch. [APNs: 323-650-03 and 323-230-11 respectively]

**ACTION:** Option 1: Adopted Resolution No. 2014-016, approving and authorizing execution of the easement quitclaims as submitted.

**MOTION CARRIED**

Ayes: Directors George, Osborne, Prada, and Day

Absent: Director Coco

**6. Office of the General Counsel (Johnson)**

Consideration of a resolution to authorize execution of an easement quitclaim to property owners Gary A. Halvorsen and Christina A. Halvorsen for a portion of the Summerfield Ditch. [APN: 085-691-09-100]

**ACTION:** Option 1: Adopted Resolution No. 2014-017, approving and authorizing execution of the easement quitclaim

**MOTION CARRIED**

Ayes: Directors George, Osborne, Prada, and Day

Absent: Director Coco

**END OF CONSENT CALENDAR**

**WORKSHOP**

**7. Engineering (Mueller)**

2015-2019 Capital Improvement Plan (CIP) Workshop: Review of Hydroelectric, FERC and Recreation projects

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

**ACTION:** None – Information only.

**ACTION ITEMS**

**8. Engineering (T. Sullivan)**

Consideration to award a construction contract to ERS Industrial Services, Inc. in the not-to-exceed amount of \$89,097.26; and authorize additional funding of \$31,550 to supplement the current balance of \$91,740; Deer Creek Wastewater Regulatory Compliance UV Channel Coating, Project No. 11010.01, Contract No. 14-07.

**Public Comment:** Joe Fuller, Cameron Park

**MOTION:** Motion by Director Prada to approve option 2 and take other action as directed by the Board to authorize \$100,000 in total funding for this project. Motion failed due to the lack of a second.

**ACTION:** Option 1: Awarded a construction contract to ERS Industrial Services, Inc. in the not-to-exceed amount of \$89,097.26; and authorized additional funding of \$31,550 to supplement the current balance of \$91,740; Deer Creek Wastewater Regulatory Compliance UV Channel Coating, Project No. 11010.01, Contract No. 14-07.

**MOTION CARRIED**

Ayes: Directors George, Osborne, and Day

Noes: Director Prada

Absent: Director Coco

**CLOSED SESSION**

**A. Closed session pursuant to Government Code section 54956.8 (Cumpston)**

Conference with Real Property Negotiators – Real Property Negotiations

Properties: 3931 Nugget Lane, Placerville, CA 95667 [APN 096-020-30-100]

District negotiator: General Counsel

Negotiating parties: Maria Raff (owner’s representative); Margaret N. Birge (owner’s realtor)

Under negotiation: price and terms

**ACTION:** On a motion by Director George, seconded by Director Osborne, and passed on a unanimous 4-0 vote with Director Coco absent, the Board authorized the acquisition of the property identified in the Closed Session for the price of \$40,000 plus transaction costs. Additionally, the Board authorized but did not require General Counsel to consider the delineation of an easement for the existing District waterline on the property, the acquisition of an access easement over the adjoining property and the remarketing of this property once those actions have occurred.

**REVIEW OF ASSIGNMENTS**

Director Prada requested that staff review and comment at the next regular Board meeting on the handout he provided to the Board titled *Comparative EID water pricing by Customer Class (2013): (Preliminary estimates pending actuals from EID Mgmt.)*

Director Day requested that a public outreach proposal encouraging customers to continue to conserve be presented to the Board at the next regular Board meeting. Director Prada additionally requested that the outreach proposal focus on high water users.

**ADJOURNMENT**

President Day adjourned the meeting at 10:56 A.M.

\_\_\_\_\_  
Alan Day, President  
Board of Directors  
EL DORADO IRRIGATION DISTRICT

ATTEST:

\_\_\_\_\_  
Jennifer Sullivan  
Clerk to the Board  
EL DORADO IRRIGATION DISTRICT

Approved: August 11, 2014

RESOLUTION OF THE BOARD OF DIRECTORS OF  
EL DORADO IRRIGATION DISTRICT  
REGARDING DISTRICT ANNEXATION IMPACT FEE

95-106

WHEREAS, the El Dorado Irrigation District Board of Directors has duly noticed a public hearing to consider District Annexation Impact Fee; and

WHEREAS, the public hearing was held at 8:30 a.m. on September 11, 1995, to consider the District Annexation Impact Fee and public comment having been made.

NOW, THEREFORE, BE IT RESOLVED that the EL DORADO IRRIGATION DISTRICT Board of Directors hereby adopts the District Annexation Impact Fee of \$.0459 times the current assessed value, to be recalculated each year when the annual tax rate is calculated. This change to be effective as of October 1, 1995.

The foregoing resolution was introduced at a regular meeting of the Board of Directors of El Dorado Irrigation District held on the 11th day of September, 1995, by Director Tatti, who moved its adoption. The motion was seconded by Director Akin, and a poll vote taken which stood as follows:

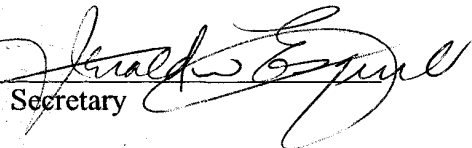
AYES: Directors Larsen, Rigsby, Akin, Tatti, Sellwood

NOES: None

ABSENT: None

  
\_\_\_\_\_  
President, Board of Directors of  
EL DORADO IRRIGATION DISTRICT

ATTEST:

  
Secretary

(SEAL)

**EL DORADO IRRIGATION DISTRICT****TAX YEAR 2015/2016****TAX CLASS 207 - Tax Year 2015/2016:**

USBR - Voter Approved Debt

Debt Service Principal & Interest	508,162.50
Add: adjustment for exempted properties within this tax class	4,500.00
Add: unsecured roll revenues - current year	0.00
Less: cash balance in the fund	<u>(18,352.09)</u>
Total assessment	494,310.41

Secured Land Only Assessed Value	5,287,236,238
----------------------------------	---------------

**Tax Rate 2015/2016****per \$100 secured land only assessed value: 0.0093**

EL DORADO IRRIGATION DISTRICT  
TAX ROLL RECAP FOR 2015/2016

**Maintenance Districts**

97M Clear Creek-

Tax Class 807

For Aesthetic purposes

138 Parcels

2015/16 Charge

\$326.36

**Miscellaneous Collections**

Delinquent Water Charges-

Tax Class Number 892

Liened Delinquent Water Charges

Parcels 113

2015/16 Charge

\$45,533.64

Delinquent Sewer Charges-

Tax Class Number 895

Liened Delinquent Sewer Charge

Parcels 29

2015/16 Charge

\$17,190.44

Lien Release Charges-

Tax Class Number 899

For lien release

Parcels 116

2015/16 Charge

\$1,856.00

Voter Approved Debt -

Tax Class 207

2015/16 Charge

\$494,310.41



**EL DORADO IRRIGATION DISTRICT**

**ANNEXATION FEE TAX YEAR 2015/2016:**

Rate as calculated below multiplied by assessed land value of property.

**ANNUAL TAX CLASS 207  
VOTER APPROVED DEBT RATE  
10 YEAR AVERAGE**

<u>TAX YEAR</u>	<u>RATE</u>	<u>10 YEAR AVG.</u>
2005/2006	0.009200	
2006/2007	0.010000	
2007/2008	0.010600	
2008/2009	0.010400	
2009/2010	0.009400	
2010/2011	0.009200	
2011/2012	0.010100	
2012/2013	0.009600	
2013/2014	0.010800	
2014/2015	0.010200	
	<u>0.099500</u> / 10 YRS =	0.009950

<b>Annexation Fee Rate</b>
<b>2015/2016                      0.0100</b>

RESOLUTION OF THE BOARD OF DIRECTORS  
OF EL DORADO IRRIGATION DISTRICT  
SETTING THE TAX RATE FOR THE GENERAL OBLIGATION BONDS  
APPROVING NON-AD VALOREM CHARGES  
AUTHORIZING EL DORADO COUNTY AUDITOR/CONTROLLER'S OFFICE TO PLACE  
SAID CHARGES ON THE ROLL AND THE TAX COLLECTOR'S OFFICE TO COLLECT  
SAID CHARGES  
FOR THE TAX ROLL YEAR 2015/2016

WHEREAS, the EL DORADO IRRIGATION DISTRICT is in receipt of the statement of assessed values for the year 2015/2016 and

WHEREAS, the total assessed value of land within the EL DORADO IRRIGATION DISTRICT is \$5,287,236,238.

WHEREAS, the estimated minimum of money required for service of the District's 2003 General Obligation Refunding Bonds refunding prior voter-approved debt is \$494,310.41.

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED, by the Board of Directors of El Dorado Irrigation District that the tax rate is shown in Exhibit 1 attached hereto and is hereby set at \$0.0093 per \$100.00 on secured land assessed value only (Tax Class 207), and that funds raised by the ad-valorem tax be allocated for the purpose of debt service to the El Dorado Irrigation District General Obligation Bond Debt Service Fund.

BE IT FURTHER RESOLVED by the Board of Directors of the El Dorado Irrigation District that certain non-ad valorem charges be placed on the roll per Water Code sections 25502, 23667, 23672, and 25806 for 2015/2016 as shown in Exhibit 2.

BE IT FURTHER RESOLVED by the Board of Directors of the El Dorado Irrigation District that the District hereby authorizes El Dorado County Auditor/Controller to place said assessments and charges on the roll and the Tax Collector to collect said assessments and charges on behalf of El Dorado Irrigation District.

The foregoing resolution was introduced at a regular meeting of the Board of Directors of EL DORADO IRRIGATION DISTRICT, held on July 13, 2015, by

Director \_\_\_\_\_, who moved its adoption. The motion was seconded by Director, and a poll vote taken which stood as follows:

AYES: Directors

NOES:

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  
EL DORADO IRRIGATION DISTRICT

ATTEST:

---

Jennifer Sullivan  
Clerk to the Board  
EL DORADO IRRIGATION DISTRICT

**EL DORADO IRRIGATION DISTRICT****TAX YEAR 2015/2016****TAX CLASS 207 - Tax Year 2015/2016:**

USBR - Voter Approved Debt

Debt Service Principal & Interest	508,162.50
Add: adjustment for exempted properties within this tax class	4,500.00
Add: unsecured roll revenues - current year	0.00
Less: cash balance in the fund	<u>(18,352.09)</u>
Total assessment	494,310.41

Secured Land Only Assessed Value	5,287,236,238
----------------------------------	---------------

**Tax Rate 2015/2016****per \$100 secured land only assessed value: 0.0093**

EL DORADO IRRIGATION DISTRICT  
TAX ROLL RECAP FOR 2015/2016

**Maintenance Districts**

97M Clear Creek-

Tax Class 807

For Aesthetic purposes

138 Parcels

2015/16 Charge

\$326.36

**Miscellaneous Collections**

Delinquent Water Charges-

Tax Class Number 892

Liened Delinquent Water Charges

Parcels 113

2015/16 Charge

\$45,533.64

Delinquent Sewer Charges-

Tax Class Number 895

Liened Delinquent Sewer Charge

Parcels 29

2015/16 Charge

\$17,190.44

Lien Release Charges-

Tax Class Number 899

For lien release

Parcels 116

2015/16 Charge

\$1,856.00

Voter Approved Debt -

Tax Class 207

2015/16 Charge

\$494,310.41

RESOLUTION OF THE BOARD OF DIRECTORS OF  
EL DORADO IRRIGATION DISTRICT  
SETTING DISTRICT ANNEXATION IMPACT FEE RATE

WHEREAS, the El Dorado Irrigation District Board of Directors has duly noticed a public hearing to consider District Annexation Impact Fee; and

WHEREAS, the public hearing was held at 8:30 a.m. on September 11, 1995, to consider the District Annexation Impact Fee and public comment having been made.

WHEREAS, the EL DORADO IRRIGATION DISTRICT Board of Directors hereby adopted the District Annexation Impact Fee of \$0.0459 times the current assessed land value, to be recalculated each year when the annual tax rate is calculated. This change was effective as of October 1, 1995.

NOW, THEREFORE BE IT RESOLVED, THE EL DORADO IRRIGATION DISTRICT Board of Directors adopts the recalculated annexation Impact Fee Rate of \$0.0100 times the current assessed land value, as shown in Exhibit 1 attached hereto and made a part hereof; this change to be effective as of October 1, 2015.

The foregoing resolution was introduced at a regular meeting of the Board of Directors of El Dorado Irrigation District held on the 13th day of July, 2015, by Director, who moved its adoption. The motion was seconded by Director, and a poll vote taken which stood as follows:

AYES: Directors

NOES:

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:

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 13<sup>th</sup> day of July, 2015.

---

Jennifer Sullivan, Clerk to the Board,  
EL DORADO IRRIGATION DISTRICT

(SEAL)

\*\*\*

**EL DORADO IRRIGATION DISTRICT**

**ANNEXATION FEE TAX YEAR 2015/2016:**

Rate as calculated below multiplied by assessed land value of property.

**ANNUAL TAX CLASS 207  
VOTER APPROVED DEBT RATE  
10 YEAR AVERAGE**

<u>TAX YEAR</u>	<u>RATE</u>	<u>10 YEAR AVG.</u>
2005/2006	0.009200	
2006/2007	0.010000	
2007/2008	0.010600	
2008/2009	0.010400	
2009/2010	0.009400	
2010/2011	0.009200	
2011/2012	0.010100	
2012/2013	0.009600	
2013/2014	0.010800	
2014/2015	0.010200	
	0.099500	
	/ 10 YRS =	0.009950

<b>Annexation Fee Rate</b>	
<b>2015/2016</b>	<b>0.0100</b>



**EL DORADO IRRIGATION DISTRICT**

**Subject:** Exercise 2 year option with Richardson & Company, LLC for 2015 and 2016 auditing services.

**Previous Board Action:**

September 10, 2012 - Board approved the contract for audit services to Richardson & Company, LLC for the fiscal years ending December 31, 2012, 2013, and 2014.

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

Board Policy BP 3040 requires an annual audit be performed by an independent certified public accounting firm. The contract for auditing services is required to be for three years with an option for two additional years that requires Board approval. The audit report must be reviewed and received by the Board within 180 days after the end of the fiscal year.

Pursuant to Section 26909 of the Government Code, the Office of the State Controller requires an annual audit of California Special Districts to be conducted by an independent certified public accountant. Also, the Office of Management and Budgets Circular A-133 and Government Auditing standards requires a Single Audit in relation to Federal grants funds received by the District.

**Summary of Issue:**

The contract for audit services with Richardson & Company, LLC has expired. The Office of the State Controller requires an annual audit by an independent certified public accountant. The contract with Richardson & Company, LLC included an option for a two year extension with estimated fees of \$40,900 (includes \$5,500 single audit, if required) and \$41,700 (includes \$5,500 single audit, if required) for the years ending December 31, 2015 and 2016 respectively. If we have to enter into a new agreement with another firm, the audit fees will certainly exceed the fees quoted by Richardson & Company, LLC.

**Staff Analysis/Evaluation:**

In July 2012, the District solicited Requests for Proposals from thirty-one accounting firms to provide auditing services for the District, of which four firms responded. The proposal also requested within the same proposal single audit services in which public agencies are also subject to under Office of Management and Budget's Circular A-133 and Government Auditing Standards in relation to Federal grants received by the District.

Each proposal was reviewed for soundness of approach, experience with public agencies, quality and accessibility of assigned personnel, and references. The process resulted in the selection of the firm of Richardson & Company, LLC to perform audit services for the District for the years ending December 31, 2012, 2013, and 2014, with a two-year extension option to 2016.

Richardson & Company, LLC has provided excellent service for the fiscal years 2012, 2013, and 2014. They review and prepare statements for the Comprehensive Annual Financial Reports (CAFR), which has resulted in a certificate of achievement for excellence in financial reporting every year. They are familiar with the District's accounting system and the District's account structure. They have extensive experience with performing audits of special districts in accordance with generally accepted auditing standards. They also have extensive experience related to the Single Audit Act.

**Richardson & Company, LLC**

Richardson & Company is licensed as a Certified Public Accounting firm with its office located in Sacramento, CA. As requested by the District, their proposed service includes an audit of the general purpose financial statements in accordance with generally accepted auditing standards and the AICPA Guide to Audits of State and Local Governments. The scope of the annual audit will include the combined and individual financial statements of the proprietary funds, a review of the internal control systems and structure of accounting, financial reporting and transactions processing.

They will provide a Report of the Independent Public Accountant (audit opinion), and prepare a memorandum on EID's internal control structure. They will also assist the District in the preparation of the CAFR according to GFOA's Certificate of Excellence in Financial Reporting Special Revenue Committee and Preparer's Checklist.

Fees for the standard audit for the years ending December 31, 2015 and 2016 are not expected to exceed \$71,600. In addition to the standard annual audit, Richardson & Company, LLC will prepare the Single Audit associated with Federal grants for an additional annual fee of \$5,500 for year 2015 and \$5,500 for year 2016, if needed.

**Board Decision/Options:**

Option 1: Authorize the Director of Finance to enter into a professional service agreement with Richardson & Company, LLC for the fiscal years ending December 31, 2015 and 2016 not-to-exceed \$71,600. Contract to include an additional provision for the Single Audit not to exceed \$5,500 for year 2015 and \$5,500 for year 2016, to be costed out separately.

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

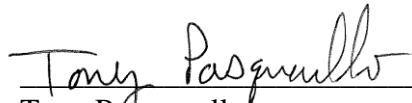
Option 3: Take no action.

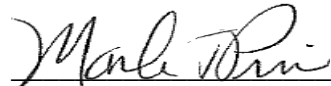
**Staff/General Manager's Recommendation:**


Option 1.

**Support Documents Attached:**

None

  
\_\_\_\_\_  
Tony Pasquarello  
Accounting Manager

  
\_\_\_\_\_  
Mark Price, CPA  
Director of Finance

  
\_\_\_\_\_  
Jim Abercrombie  
General Manager

## 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.

### **Previous 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.
- June 22, 2015 – Board considered sale of Blakeley Reservoir to Walker Land Company, and continued the matter to July 13.

### **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:**

Due to late-arising legal concerns expressed by Director Prada, the Board voted on June 22 to continue its consideration of the sale of the Blakeley Reservoir surplus property to the July 13 meeting. Prior to consideration of this item on July 13, the Board will hold a closed session at which the Board may consider the Director’s legal concerns. The General Counsel and General Manager continue to recommend Board approval.

**Staff Analysis/Evaluation:**

Please see attachment A for staff’s analysis and evaluation.

**Board Decisions/Options:**

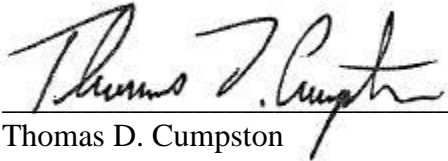
- Option 1:** Approve a Purchase and Sale Agreement and Joint Escrow Instructions to sell the Blakeley Reservoir surplus property to Walker Land Company; authorize the General Manager to execute the agreement and take all other necessary actions, upon approval as to form by General Counsel, to effectuate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

**Staff/General Manager’s Recommendation:**

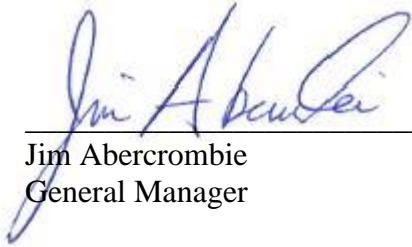
Option 1.

**Attachments:**

- A. June 22, 2015 Agenda Item Summary and Attachments for this matter

Handwritten signature of Thomas D. Cumpston in black ink, written over a horizontal line.

Thomas D. Cumpston  
General Counsel

Handwritten signature of Jim Abercrombie in blue ink, written over a horizontal line.

Jim Abercrombie  
General Manager

## 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 redirection 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 effectuate 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:**

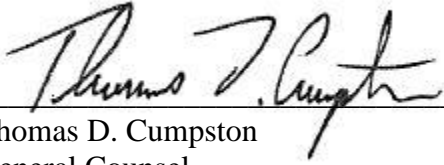
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- Option 2:** Take other action as directed by the Board.
- Option 3:** Take no action (*staff will resume its pursuit of dam repair and redirection of the water rights at Folsom Reservoir*).

**Staff/General Manager's Recommendation:**

Option 1.

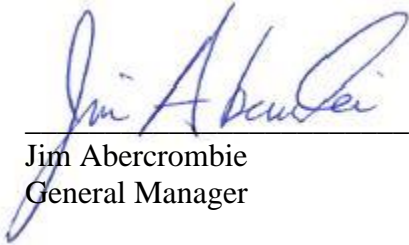
**Attachments:**

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



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Thomas D. Cumpston  
General Counsel



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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<sup>nd</sup>) 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:

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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

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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

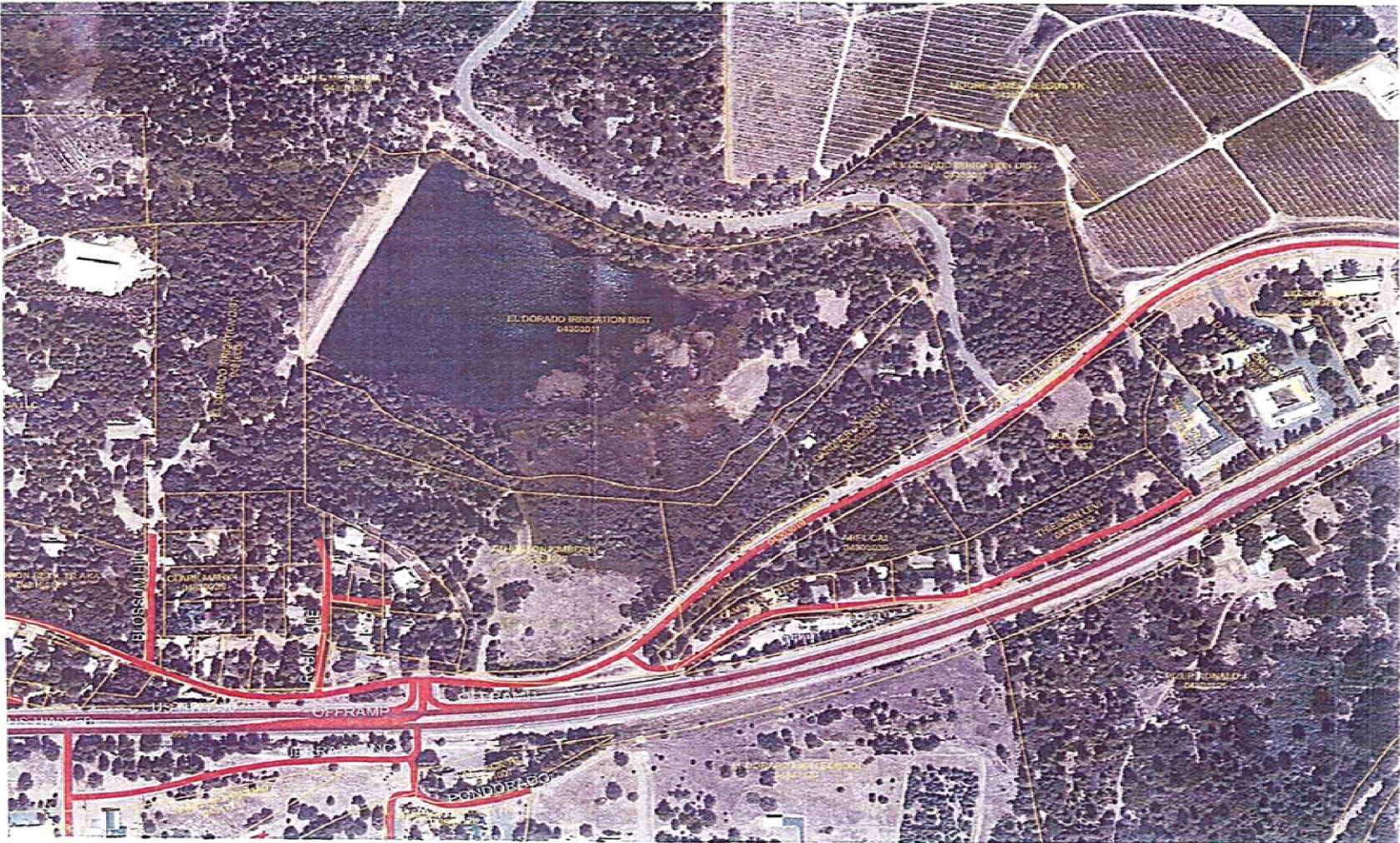
- **Board declared Blakeley Reservoir property surplus to explore sale to a private party**
  - Property currently serves no District purpose
  - Could be more valuable to a private party
- **Legal prerequisites to private sale completed, proposals requested and received**
- **Recommend authorization 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 ( $\leq$  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

**Q U E S T I O N S ?**

**EL DORADO IRRIGATION DISTRICT**

**SUBJECT:** Consideration of revisions to the Drought Action Plan related to non-irrigation pond filling and recycled water supplementation restrictions.

**Previous Board Actions:**

February 4, 2014 – The Board Adopted Resolution No. 2014-006 with modifications: Declared a Stage 2 Water Supply Warning, voluntary phase, effective immediately. Continued consideration of a 15% drought surcharge on all water and recycled water commodity charges and whether to impose Stage 2 drought actions on a mandatory basis, to the March 10, 2014, regular Board meeting.

March 10, 2014 – The Board continued discussion of any drought actions to the April 14 regular Board meeting; requested a review and discussion of the District’s Drought Action Plan including a progress report on the customer’s drought response at the March 24 regular Board meeting; and hold an evening public workshop on the District’s Drought Action Plan to occur between the March 24 and April 14 regular Board meetings.

March 24, 2014 – The Board reviewed the Drought Action Plan and received a progress report on customer drought response.

April 2, 2014 – The Board discussed and received public input on potential revisions to the Drought Action Plan.

April 14, 2014 – The Board approved the Drought Action Plan with changes recommended by staff and additional revisions.

March 23, 2015 – The Board approved the 2015 Drought Action Plan update.

April 13, 2015 – The Board approved revisions to the Drought Action Plan.

May 11, 2015 – The Board approved revisions to the Drought Action Plan to comply with State Board regulations, including suspension of potable water supplementation and prohibition on filling ponds, lakes, and other non-irrigation water features with potable or recycled water.

May 26, 2015 – The Board approved revisions to the Drought Action Plan with 3 day per week watering June 1 – September 30.

June 22, 2015 – The Board voted to agendize the pond filling prohibition at the next meeting.

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

BP 5010 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. 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 5040 Drought Preparedness and Climate Variability: The Board supports the adoption and implementation of a drought preparedness plan to ensure a proactive response to the impacts of drought conditions.

### **Summary of Issue:**

State Water Board regulations call for EID to reduce water use by 28%. In order to assist in meeting this reduction mandate, the Board approved prohibitions on filling non-irrigation ponds with potable or recycled water. The Board also approved restrictions on potable water supplementation of the recycled water system.

At the June 22, 2015 meeting, the Board voted to agendaize the pond filling restriction for reconsideration. Also, staff has been tracking recycled water supply and demand to assess the need for potable supplementation. Recent data in June suggest that despite good conservation from recycled water users, the recycled water supply may be exhausted by the end of July.

### **Staff Analysis/Evaluation:**

#### **Non-irrigation pond filling restriction**

At the May 11 meeting, the Board approved a prohibition on filling ponds, lakes and other non-irrigation water features with potable or recycled water. Below is a listing of non-irrigation water features in the District that are believed to have the ability to be filled by a potable or recycled water metered connection.

#### POND LOCATIONS

Bass Lake Golf Course, Rescue  
Old Serrano Golf Course, EDH  
Lake Oaks MHP, Diamond Springs  
Serrano Visitor Center, EDH  
Knolls Reservoir, Lotus  
Town Center, EDH  
Dyer Lake, Swansboro  
Loch Way Entry, EDH  
Greenstone Ponds, Placerville  
Creekside Greens Park, EDH  
Hacienda Colima, Placerville  
Cold Springs Golf Course, Cameron Park  
Cold Springs MHP, Placerville  
Cameron Park Golf Course, Cameron Park  
Ponderhill Pond, Placerville



Many of these connections serve other uses on each property in addition to filling the water feature; therefore, it is not possible to quantify the amount of water saved by the prohibition. Serrano HOA has raised objections to this requirement related to the pond at the Serrano Visitor Center, which is filled with recycled water. However, given the drought requirements throughout the District and the State, staff recommends maintaining this prohibition as a reasonable and responsible conservation practice.

#### Potable supplementation of recycled water system

During the month of June, the District's 62-million-gallon recycled water storage reservoir at the El Dorado Hills Wastewater Treatment Plant (EDHWWTP) has been drawn down an average of 0.5 mg per day, increasing to over 1 mg per day in recent days. Conservation in the recycled water system for June has been 29%, however influent to the wastewater plants is lower than originally estimated due to overall conservation. Also, the District assumed a timely and successful approval of another temporary urgency change petition to reduce discharge of recycled water from the Deer Creek WWTP to Deer Creek, similar to what was accomplished last year. However, nearly two months after the District submitted its petition, CDFW staff has introduced additional unexpected requirements for surveys and monitoring and the District has not yet reached agreement and obtained approval from the SWRCB to reduce the discharge on a temporary basis. Therefore, higher discharge to Deer Creek, combined with lower than expected influent flows, has reduced the amount of available recycled water and accelerated the drawdown of the EDHWWTP reservoir.

Current projections indicate that recycled water supply in the storage reservoir may be depleted by the end of July or early August, at which point recycled water production would be limited to plant influent, minus the amount of water that must be discharged to Deer Creek. This would not be enough to meet daily recycled water demands and would result in operational problems including low pressures, out of water calls, and air binding in the recycled water distribution system.

The amount of potable water used to supplement the recycled water system in 2013 was 534 AF. Supplementation was greatly reduced in 2014 to 117 AF. In order to avoid a situation where the District would be required to enforce additional measures upon recycled water customers to reduce demands, or alternatively to turn off the recycled water system altogether due to lack of supply, staff is recommending resuming supplementation of the recycled water system. Staff would strive to limit the amount of supplementation to 2014 levels, however the amount of supplementation ultimately needed is dependent on several factors including weather, recycled water customer conservation compliance, wastewater influent flows, and Deer Creek discharge requirements.

On the potable water side, staff has evaluated the amount of daily supplementation that may be needed from an operational standpoint. Reclamation projections for Folsom Lake levels indicate water pumping capacity may be reduced by late September. As mentioned previously, staff is monitoring lake levels and developing a plan for temporary pumping should Folsom Lake drop to an elevation that affects pumping capacity too greatly. In the meantime while water delivery capacity is not in question, supplementation of the recycled water system would begin immediately in July with consistent daily supplementation of approximately 1 mgd through the summer as needed to preserve recycled water supply in the EDHWWTP reservoir.

**Board Decisions/Options:**

**Option 1** – Maintain prohibition on non-irrigation pond filling with potable or recycled water, and revise drought action plan to remove the prohibition on potable water supplementation in Stage 2.

**Option 2** – Revise the drought action plan to remove the prohibition on non-irrigation pond filling and remove the prohibition on potable water supplementation in Stage 2.

**Option 3** – Take other action as directed by the Board.

**Option 4** – Take no action.

**Staff/General Manager’s Recommendation:**

Option 1

**Support Documents:**

N/A



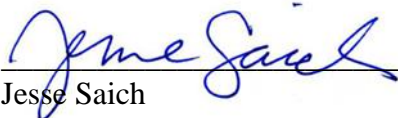
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Brian Mueller  
Director of Engineering



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Tom McKinney  
Director of Operations



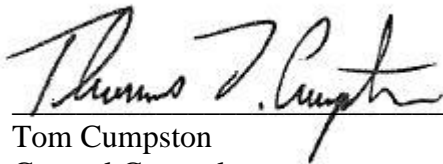
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Jesse Saich  
Public Information Officer



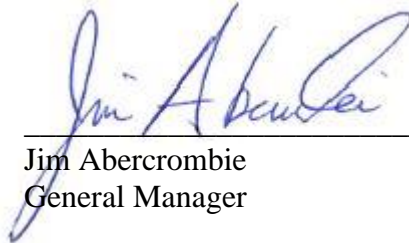
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Mark Price  
Director of Finance



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Tom Cumpston  
General Counsel



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Jim Abercrombie  
General Manager

# CONSIDERATION OF REVISIONS TO THE 2015 DROUGHT ACTION PLAN

## POND FILLING AND SUPPLEMENTATION OF RECYCLED WATER SYSTEM

July 13, 2015



# Previous Board Actions

- ▣ February 4, 2014 – Board declared Stage 2 Water Supply Warning
- ▣ April 14, 2014, March 23, 2015, April 13, 2015, May 11, 2015, May 26, 2015 – Board approved revisions to the Drought Action Plan
- ▣ June 22, 2015 – Board voted to agendaize the pond filling prohibition at the next meeting

# Board Policies

- ▣ BP5010 Water Supply Management
- ▣ BP5040 Drought Preparedness and Climate Variability

# Summary

- ▣ State Board regulations mandate 28% conservation for EID (beginning June 2015)
- ▣ EID prohibited filling ponds, lake and other non-irrigation water features with potable or recycled water
- ▣ EID prohibited supplementation of the recycled water system
- ▣ Recycled water supply may be exhausted by end of July

# Pond filling prohibition

- ▣ Several water features listed in agenda item that are believed to have the ability to be filled from water/recycled water system
- ▣ Many of these connections serve other uses on property
  - Not able to quantify savings
- ▣ Serrano HOA raised objections to the prohibition
- ▣ Staff recommends maintaining this prohibition



# Recycled water supplementation

- ▣ Tracking recycled demands, influent flows and EDHWWTP storage drawdown
- ▣ Recycled water conservation 29% in June
- ▣ Still, available storage is being depleted over 1 mg per day
  - Lower influent flows due to overall conservation
  - DCWWTP TUCP not approved
  - Accelerated storage drawdown

# Recycled water supplementation

- ▣ At current rate, storage depleted by end of July
  - RCW production limited to influent flows minus DCWWTP discharge to Deer Creek
- ▣ Without supplementation from potable water system: low pressures, out of water calls, air binding of equipment

# Recycled water supplementation

- ▣ Supplementation quantities
  - 2013: 534 AF
  - 2014: 117 AF
- ▣ Options are to resume supplementation, enforce additional measures on RCW customers to stretch supply, or turn off RCW system altogether
- ▣ Staff recommending resuming supplementation, strive to limit to 2014 levels
  - Dependent on weather, demands, influent flows and Deer Creek discharge

# Recycled water supplementation

- ▣ Folsom Lake level projections indicate water pumping capacity may be impacted in September
- ▣ Begin supplementation immediately before lake level declines

# Board Decisions/Options

- ▣ Option 1: Maintain prohibition on non-irrigation pond filling with potable or recycled water; and revise Drought Action Plan to remove prohibition on potable water supplementation in Stage 2
- ▣ Option 2: Revise the Drought Action Plan to remove the prohibition on non-irrigation pond filling and remove the prohibition on potable water supplementation in Stage 2.

# Board Decisions/Options

- ▣ Option 3: Take other action as directed by the Board
- ▣ Option 4: Take no action (*Maintain prohibitions on pond filling and supplementation*)

# Staff/GM Recommendation

Option 1

# Questions