



AGENDA

SPECIAL MEETING OF THE BOARD OF DIRECTORS

District Board Room, 2890 Mosquito Road, Placerville, California

Wednesday, April 26, 2017 — 9:00 A.M.

Board of Directors

George Osborne—Division 1
President

Michael Raffety—Division 3
Vice President

Greg Prada—Division 2
Director

Dale Coco, MD—Division 4
Director

Alan Day—Division 5
Director

Executive Staff

Jim Abercrombie
General Manager

Brian D. Poulsen, Jr.
General Counsel

Jennifer Sullivan
Clerk to the Board

Jesse Saich
Communications

Brian Mueller
Engineering

Mark Price
Finance

Jose Perez
Human Resources

Tim Ranstrom
Information Technology

Margaret Washko
Operations

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.

AMERICANS WITH DISABILITIES ACT: In accordance with the Americans with Disabilities Act (ADA) and California law, it is the policy of 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 email at adacoordinator@eid.org at least 72 hours prior to the meeting. Advance notification within this guideline will enable the District to make reasonable accommodations to ensure accessibility.

CALL TO ORDER

Roll Call
Pledge of Allegiance
Moment of Silence

ADOPT AGENDA

COMMUNICATIONS

General Manager's Employee Recognition

PUBLIC COMMENT

COMMUNICATIONS

General Manager
Clerk to the Board
Board of Directors

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

APPROVE CONSENT CALENDAR

Action on items pulled from the Consent Calendar

CONSENT CALENDAR

1. Finance (Pasquarello)

Ratification of EID General Warrant Register for the period ending April 4 and April 11, 2017, 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. 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 April 10, 2017 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. Engineering (Corcoran)

Consideration to adopt a resolution authorizing the General Manager to sign and submit a grant proposal to the United States Bureau of Reclamation for the WaterSMART Grants: Water Marketing Strategy Grants Fiscal Year 2017.

Option 1: Adopt a resolution authorizing the General Manager to sign and submit a grant proposal to the United States Bureau of Reclamation for the WaterSMART Grants: Water Marketing Strategy Grants Fiscal Year 2017.

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

Option 3: Take no action.

Recommended Action: Option 1.

4. Information Technology (Ranstrom)

Consideration to renew the District's existing Microsoft Enterprise Agreement for software support and licensing with current vendor SoftwareONE for a term of three years in the total amount of \$396,897.57, payable in three annual payments of \$132,299.19.

Option 1: Renew the District's existing Microsoft Enterprise Agreement for software support and licensing with current vendor SoftwareONE for a term of three years in the total amount of \$396,897.57, payable in three annual payments of \$132,299.19.

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

Option 3: Take no action.

Recommended Action: Option 1.

END OF CONSENT CALENDAR

CLOSED SESSION

A. Closed session pursuant to Government Code section 54956.9 (d)(2) (Poulsen)

Conference with General Counsel – Pending Litigation (Bell Ranch Properties, Ltd. and BL Road, LLC v. El Dorado Irrigation District (significant threat of litigation regarding contract dispute))

B. Closed session pursuant to Government Code section 54956.8 (Poulsen)

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

Properties: Assessor's Parcel Numbers 083-262-01, 082-294-01

District negotiators: General Manager, General Counsel, Capital Valley Realty Group, Inc.

Under negotiation: sale price

Negotiating parties: Steven and Debra Grendahl, Capital Valley Realty Group Inc.

REVIEW OF ASSIGNMENTS

ADJOURNMENT

TENTATIVELY SCHEDULED ITEMS FOR FUTURE MEETINGS

Engineering

- Consideration to award a professional services contract for geotechnical analysis and well drilling at Caples Lake Campground, Action Item, regular Board meeting, May 22 (Wilson)

EL DORADO IRRIGATION DISTRICT

Subject: Ratification of EID General Warrant Registers for the periods ending April 4 and April 11, 2017, 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 April 4 and April 11, 2017 totaling \$827,099.68, 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>
April 4, 2017	659613 – 659744	\$ 558,583.35
April 11, 2017	659745 – 659858	\$ 268,516.33

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.

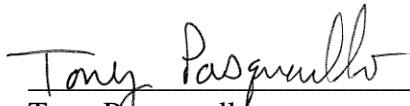
Staff/General Manager’s Recommendation

Option 1.

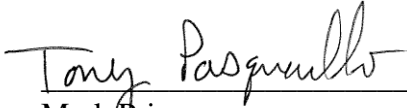
Support Documents Attached

Attachment A: Board Expenses/Reimbursements

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



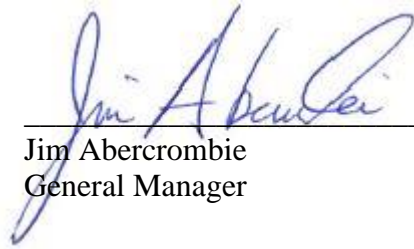
Tony Pasquarello
Accounting Manager



_____ for
Mark Price
Finance Director (CFO)



Jennifer Sullivan
Clerk to the Board



Jim Abercrombie
General Manager

Attachment A

Board Expenses/Reimbursements
Warrant Registers dated 04/04/17 - 04/11/17

DESCRIPTION	William George	George Osborne	Michael Raffety	Greg Prada	Dale Coco, MD	Alan Day	Total
Personal Vehicle Expense		\$32.10	\$90.42	\$73.30	\$16.05		\$211.87
Hotel							\$0.00
Meals or Incidentals Allowance							\$0.00
Airfare, Car Rental, Misc Travel							\$0.00
Fax, Cell or Internet Service			\$80.00	\$80.00	\$40.00		\$200.00
Meeting or Conference Registration							\$0.00
Meals with Others							\$0.00
Membership Fees/Dues							\$0.00
Office Supplies							\$0.00
Reimburse prepaid expenses							\$0.00
Miscellaneous Reimbursements							\$0.00
	\$0.00	\$32.10	\$170.42	\$153.30	\$56.05	\$0.00	\$411.87

Attachment B

Employee Expenses/Reimbursements
Warrant Registers dated 04/04/17 - 04/11/17

EMPLOYEE	DESCRIPTION	AMOUNT
Nicole Graham	Travel Expenses - CWEA Conference	\$133.36
Jennifer Sullivan	Travel Expenses - AMA Seminar	\$304.99
Carl Certiberi	Travel Expenses - Safe Driver Trainer Certification	\$100.90
		\$539.25



MINUTES
REGULAR MEETING OF THE BOARD OF DIRECTORS
 District Board Room, 2890 Mosquito Road, Placerville, California
 April 10, 2017 — 9:00 A.M.

Board of Directors

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 President

Michael Raffety—Division 3
 Vice President

Greg Prada—Division 2
 Director

Dale Coco, MD—Division 4
 Director

Alan Day—Division 5
 Director

Executive Staff

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Jennifer Sullivan
 Clerk to the Board

Jesse Saich
 Communications

Brian Mueller
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CALL TO ORDER

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

Roll Call Board

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

Staff

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

Pledge of Allegiance and Moment of Silence

President Osborne led the Pledge of Allegiance followed by a moment of silence dedicated to the troops protecting our freedom around the world.

ADOPT AGENDA

ACTION: Agenda was adopted.

MOTION PASSED

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

COMMUNICATIONS

General Manager's Employee Recognition

Awards and Recognitions

- a) Welcome to the District, Christine Lomba. Christine has been hired to the position of Park Ranger II in the Recreation Division.
- b) Welcome to the District, Robert Nestor. Robert has been hired to the position of Meter Technician I in Meter Services.
- c) Congratulations to Joe Butler, who is retiring after more than 10 ½ years of service. Joe is a dedicated public servant, and proudly represented the District's mission and guiding principles. We wish him great health and relaxation in his retirement journey.

PUBLIC COMMENT

Robbie and Krista Olson, El Dorado Hills addressed the Board and provided two letters dated April 7, 2017.

Paul Raveling, El Dorado Hills addressed the Board and provided a handout titled *Water Consumption*.

COMMUNICATIONS

General Manager

Staff Reports and Updates

None

Clerk to the Board

None

Board of Directors

Director Raffety reported on his recent acceptance to the Association of California Water Agencies' Water Management Committee. He also briefly described the Governor's April 7th declaration to end the drought state of emergency in most of California and the Governor's continued effort to implement the long-term water conservation, water-use reporting requirements and permanent prohibitions on wasteful practices such as watering during the day or immediately after rainfall.

Director Coco commented on a Mountain Democrat article written by Dawn Hodson featured in the April 10 issue.

Director Osborne reported that he attended the Ag Round Table on April 7.

APPROVE CONSENT CALENDAR

ACTION: Consent Calendar was approved.

MOTION PASSED

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

CONSENT CALENDAR

1. Finance (Pasquarello)

Ratification of EID General Warrant Register for the period ending March 21 and March 28, 2017, and Employee Expense Reimbursements for this period.

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 PASSED

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

2. Clerk to the Board (Sullivan)

Approval of the minutes of the March 27, 2017 regular meeting of the Board of Directors.

ACTION: Option 1: Approved as submitted.

MOTION PASSED

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

3. Recreation (Hawkins)

Ratification of Resolution No. 2016-032 declaring an emergency under the Public Contract Code and California Environmental Quality Act, for an emergency timber harvest operation at Sly Park Recreation Area.

ACTION: Option 1: Ratified Resolution No. 2016-032 (*thus maintaining the emergency declaration*).

MOTION PASSED

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

4. Board of Directors (Osborne)

Consideration to vote for one El Dorado Local Agency Formation Commission (“LAFCO”) Regular Special District Member.

ACTION: Option 1: Concurred with the Board President's decision to vote for Director Dale Coco, M.D. as a Regular Special District Member to the El Dorado LAFCO.

MOTION PASSED

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

5. Finance (Pasquarello)

Funding approval for District Capital Improvement Plan (CIP) Projects.

ACTION: Option 1: Authorized funding for the CIP project as requested in the amount of \$18,000.

MOTION PASSED

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

END OF CONSENT CALENDAR

ACTION ITEMS

6. Office of the General Counsel (Poulsen)

State Legislative update.

Public Comment: Paul Raveling, El Dorado Hills

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

MOTION PASSED

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

7. Office of the General Counsel (Poulsen)

Consideration of a resolution in support of the Association of California Water Agencies' ("ACWA") Policy Statement on Bay-Delta Flow Requirements.

ACTION: Option 1: Adopted Resolution No. 2017-011, in support of the Association of California Water Agencies' Policy Statement on Bay-Delta Flow Requirements.

MOTION PASSED

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

8. Engineering (Brink)

Consideration to approve funding for the California Department of Transportation's ("Caltrans") South Fork American River Bridge waterline replacement, Project No. 15025.

Public Comment: Chuck Vanderpool, Pollock Pines

MOTION: Motion by Director Prada to move option 2 and take other action as directed by the Board and approve funding in the not-to-exceed amount of \$1.5 million for the American River Bridge waterline replacement, Project No. 15025. Motion failed due to lack of a second.

ACTION: Option 1: Approved funding in the amount of \$1,567,082 for the American River Bridge waterline replacement, Project No. 15025.

MOTION PASSED

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

9. Engineering / Operations (Mueller/Mutschler/Noel/Washko)

Consideration to ratify or approve the following for the 2017 emergency storm repairs:

- Ratify Resolution No. 2017-007 to maintain the emergency declaration;
- Ratify professional services Change Order No. 1 with GHD Inc. in the not-to-exceed amount of \$600,224;
- Ratify construction contract Change Order No. 1 for Doug Veerkamp General Engineering in the not-to-exceed amount of \$300,000;
- Approve Change Order No. 2 with GHD Inc. in the not-to-exceed amount of \$1,310,016;
- Approve a construction contract Change Order No. 1 to Syblon Reid Contractors in the not-to-exceed amount of \$4,024,404;
- Award a construction contract to Doug Veerkamp General Engineering in the not-to-exceed amount of \$1,462,479;
- Approve project funding of \$5,970,595 for the following projects:
 - \$3,044,560, Project No. 17004.01 (Hazard Mitigation at Flume 5);
 - \$987,030, Project No. 17008.01 (Hazard Mitigation at Flume 9);
 - \$568,588, Project No. 17007.01 (Hazard Mitigation #1 downstream Flume 45A);
 - \$1,220,417, Project No. 17007.03 (Hazard Mitigation #3 downstream Flume 45A);
 - \$150,000, Project No. 17002.01 (Town Center Force Main Emergency Replacement Phase 2 Schedule B)

ACTION: Option 1:

- Ratified Resolution No. 2017-007 to maintain the emergency declaration;
- Ratified professional services Change Order No. 1 with GHD Inc. in the not-to-exceed amount of \$600,224;
- Ratified construction contract Change Order No. 1 for Doug Veerkamp General Engineering in the not-to-exceed amount of \$300,000;
- Approved Change Order No. 2 with GHD Inc. in the not-to-exceed amount of \$1,310,016;
- Approved a construction contract Change Order No. 1 to Syblon Reid Contractors in the not-to-exceed amount of \$4,024,404;
- Awarded a construction contract to Doug Veerkamp General Engineering in the not-to-exceed amount of \$1,462,479;
- Approved project funding of \$5,970,595 for the following projects:
 - \$3,044,560, Project No. 17004.01 (Hazard Mitigation at Flume 5);
 - \$987,030, Project No. 17008.01 (Hazard Mitigation at Flume 9);
 - \$568,588, Project No. 17007.01 (Hazard Mitigation #1 downstream Flume 45A);
 - \$1,220,417, Project No. 17007.03 (Hazard Mitigation #3 downstream Flume 45A);
 - \$150,000, Project No. 17002.01 (Town Center Force Main Emergency Replacement Phase 2 Schedule B)

MOTION PASSED

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

CLOSED SESSION

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

Conference with Real Property Negotiators

Properties: Assessor's Parcel Number 115-400-22

District negotiators: General Manager, General Counsel

Under negotiation: price and terms of payment for sale

Negotiating parties: El Dorado Hills Community Services District

ACTION: The Board met and conferred with the General Counsel, General Manager, its real property negotiators, and provided direction but took no reportable action.

B. Closed session pursuant to Government Code section 54956.9 (d)(1) (Poulsen)

Conference with General Counsel – Existing Litigation (*Access Limited Construction v. Excavating Engineers, Inc. et al.*, Sacramento County Superior Court Case No. 34-2016-00197663-CU-BC-GDS)

ACTION: The Board met and conferred with counsel and provided direction but took no reportable action.

C. Closed session pursuant to Government Code section 54957 (a) (Poulsen/Ranstrom)

Conference with General Counsel and Director of Information Technology - Matters posing a threat to essential public services

ACTION: The Board received information from the District's Information Technology Director but took no reportable action.

Directors Day and Coco left the meeting at 1:20 P.M. and were not present during discussions regarding Closed Session Item D and were absent for the post-Closed Session reports, Review of Assignments and Adjournment.

D. Closed session pursuant to Government Code section 54957 (b)(1) (Poulsen)

Public Employee Employment/Performance Evaluation

Position Title: General Counsel; quarterly performance review

ACTION: The Board met and made comments on the General Counsel's outstanding performance but took no reportable action.

REVIEW OF ASSIGNMENTS

Board members directed staff to prepare a list of potential bridge and/or roadway relocations that might only involve a small number of customers including the Mount Murphy Bridge replacement and investigate whether 1) ACWA staff can pursue enactment of legislation to have the California Department of Transportation pay for utility relocation as part of their project costs and 2) identify service areas that have substantial differences in costs to serve customers in those areas.

ADJOURNMENT

President Osborne adjourned the meeting at 1:34 P.M.

George W. Osborne
Board President
EL DORADO IRRIGATION DISTRICT

ATTEST:

Jennifer Sullivan
Clerk to the Board
EL DORADO IRRIGATION DISTRICT

Approved: _____

EL DORADO IRRIGATION DISTRICT

SUBJECT: Consideration to adopt a resolution authorizing the General Manager to sign and submit a grant proposal to the United States Bureau of Reclamation for the WaterSMART Grants: Water Marketing Strategy Grants Fiscal Year 2017.

Previous Board Actions

April 1, 2015 – Board approved a Water Purchase Agreement for transfer of water to Westlands Water District in 2015.

March 28, 2016 – Board received informational agenda item regarding the prospects for water transfers in 2016.

April 25, 2016 – Board received informational agenda item regarding the prospects for water transfers in 2016.

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

BP 3050: The District will be run in a fiscally responsible and prudent manner.

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

Summary of Issues

On February 14, 2017, the United States Bureau of Reclamation ("Reclamation") released a funding opportunity announcement ("FOA") for the WaterSMART: Water and Energy Efficiency Grants FY 2017 ("Grant"). The FOA is for projects that support development of water marketing strategies that will help prevent water conflicts and will contribute to water supply sustainability. Staff has prepared a Grant proposal that requests a cost share of approximately \$85,000. One of the requirements for Grant proposal submission is a resolution adopted by the Board of Directors to be submitted within 30 days of the application deadline of April 19, 2017.

Staff Analysis/Evaluation

Introduction

Although water transfers and water markets have become a robust component of California's drought mitigation and long-term conservation objectives, additional work to develop standardized approaches for certain legal methods of water transfers is necessary to ensure existing supplies are used to their maximum efficiency. Staff has previously advised the Board regarding its efforts to continue pursuit of multiple forms of water transfers including those based upon implementation of conservation measures such as development of the recycled water system, irrigation management system, and best management practices, among others. This project will explore opportunities to expand water markets by standardizing additional forms of conservation-based transfers, including in-lieu recycled water-based transfers and develop recommended approaches to quantify the transfer volumes from these sources.

Three generally accepted single-year transaction categories are currently allowed – each defined by the source of water made available. These transfers, and the established rules that govern them, are described in an annual document co-produced by the California Department of Water Resources (“DWR”) and the U.S. Bureau of Reclamation’s Mid-Pacific Region (“MP”) referred to as the “Water Transfers Whitepaper.” The three categories include: (1) crop land idling and crop shifting, (2) groundwater substitution, and (3) reservoir storage release. Other transfer proposals, such as agricultural and urban water conservation or in-lieu recycled water transfers, are considered on a “case-by-case basis.”

The purpose of this work under this grant proposal is to expand water markets for (a) additional conservation-based water transfers under California Water Code section 1011, and (b) in-lieu water transfers based upon recycled water use under California Water Code section 1010, in a manner that can readily be included into the Water Transfers Whitepaper to facilitate more single-year transactions.

Water Code section 1011(b) states, in relevant part: “Water, or the right to the use of water, the use of which has ceased or been reduced as a result of water conservation efforts... may be sold, leased, exchange, or otherwise transferred...” The current rules governing conservation-based water transfers do not include categories for the most prevalent urban and agricultural-based conservation measures. For example, in the urban sector, conserved water made available from infrastructure leak detection and repair, piping or lining of earthen ditches and canals, in-home fixtures replacement, reduced outdoor water application, and installation of drought tolerant landscapes are not captured in the current transfer protocols – but instead must be proven on a case-by-case basis.

Similarly, Water Code section 1010(b) states, in relevant part: “Water, or the right to the use of water, the use of which has ceased or been reduced as the result of the use of recycled, desalinated or polluted water... may be sold, leased, exchanged, or otherwise transferred...” There are no formal rules in the Water Transfer Whitepaper governing recycled, desalinated, or polluted water transfers that involve in-lieu water usage. Like conservation-based transfers, each potential in-lieu transfer of water under this code section must be analyzed by Reclamation, DWR, or the State Water Resources Control Board (“SWRCB”) on a case-by-case basis.

The District’s Grant proposal project will explore opportunities to incorporate conservation and in-lieu activities into broader categories of conservation-based transfers through development of standardize criteria that could be applied to each conservation measure or in-lieu proposal to quantify the anticipated quantity of water made available through each.

Project Consistency with Grant Objectives

This project is aligned with the primary purpose of this WaterSMART Grant Program FOA and Reclamation’s current directives. The Grant Program seeks to “support collaborative planning efforts that use the establishment of water markets to proactively address water supply shortages and increase water management flexibility in the longer term.” This proposed project will create a collaborative planning effort to expand water markets in California through development of standardized criteria that can be applied uniformly across all water right holders and accepted by regulating agencies (e.g., DWR, MP, SWRCB, and others) that are involved in approving each water transfer.

This proposed project also aligns with federal water management policies. Reclamation facilitates water transfers as part of the National Drought Resilience Partnership and encourages water transfers as a mechanism to efficiently allocate water in the West for economic and

environmental purposes. Reclamation's current water transfer rules outlined in the Water Transfer Whitepaper facilitate water transfers that meet defined criteria, but do not address conservation-based transfers. This project proposal is the logical next step in expanding the federal opportunities for water transfers in California. The project objective is to gain widespread agreement on the potential for new forms of conservation-based transfers and in-lieu transfers related to recycled water use.

The proposed project is also firmly aligned with California's water conservation policies. Governor Brown, in "Executive Order B-37-16 – Making Water Conservation a Way of Life," declared that "increasing long-term water conservation... improving water use efficiency... and strengthening drought planning are critical to California's resilience to drought and climate change." This project's objective to expand water conservation-based transfers furthers the Governor's objectives outlined in the Executive Order.

Similarly, the proposed project is aligned with California's recycled water policies. Water Code section 13560 sets state policy to use as much as 2 million acre-feet of recycled water by 2030. Water Code section 13550 declares the use of potable water for non-potable uses as a "waste or an unreasonable use of water" under Article X, Section 2 of the California Constitution where recycled water is available. Accordingly, State policy supports facilitating the use of recycled water sources in lieu of potable supplies through a coherent water transfer.

Project Details

The specific goals of the proposed water marketing strategy are to:

- Develop new water market mechanisms that utilize provisions in existing California law to:
 - Incentivize urban water conservation by inducing water suppliers to implement activities for which they may realize an economic benefit through transferring conserved water; and
 - Generate new revenue sources to help offset the cost of implementing urban conservation measures that reduce demand and revenue from existing customers and supplies to achieve the Governor's directives and infrastructure investments for recycled water reuse projects.
- Achieve agreement among partners, resource and regulatory agencies, and potentially affected parties as to reasonable rules, criteria, and approvals governing these next-stage transactions that consider and appropriately balance all interests.

To achieve the Project's objectives, EID will undertake a comprehensive, partner-building approach that cultivates a diverse stakeholder group to establish rules and implementation parameters to facilitate these important water transactions.

The FOA requires adoption of a Board resolution committing the District to the financial and legal obligations associated with receipt of WaterSMART Grant financial assistance. The subject resolution verifies: (1) the identity of the official with legal authority to enter into an agreement; (2) that the Board of Directors has reviewed and supports the application submitted; (3) that the District has the capability to provide the amount of funding specified in the funding plan in the event of grant award; and (4) that the District will work with Reclamation to meet established deadlines for entering into a cooperative agreement.

If the resolution is adopted by the Board, the adopted resolution will be promptly submitted to Reclamation within the 30 day window. Entering into this agreement does not commit the District to spending matching funds. Individual project expenditures are subject to Board approval in accordance with Board Policy.

As staff has previously described, Reclamation, DWR, and SWRCB have previously illustrated challenges with conservation-based transfers that are clearly authorized by the Water Code. Therefore, much of the activities identified in the grant proposal are necessary to address these challenges and successfully implement such a transfer even absent the grant. The current grant opportunity provides a means to offset those anticipated costs while also creating a stakeholder based process that involves a larger base of project proponents, which in turn will increase the chances of its success.

Staff has secured five letters of support from agencies that would benefit from this effort (Regional Water Authority, City of Roseville, Foresthill Divide Public Utilities District, Calaveras County Water District, and El Dorado County Water Agency); those letters are included in the grant application packet. Given the potential benefits across many water purveyors of this effort, staff believes there are good prospects Reclamation will fund the proposal.

Funding

The current Reclamation funding opportunity is limited to no more than 50% grant funding up to \$200,000 for Group I projects (those conducting outreach, planning, and scoping activities within two years) and up \$400,000 for Group II projects (those developing procedures and agreements to implement water marketing strategies within three years). In-kind staff time is allowed to demonstrate matching costs. Staff believes the current proposal best aligns with Group I activities and therefore staff submitted an application under Group I.

Staff anticipates the total cost of the effort, including \$42,118 of in-kind staff time and \$128,000 in consultant costs, to be \$170,118 with 50% of these costs reimbursed through the grant. The costs for implementing the effort described in the grant include much of the effort the District would otherwise be required to spend absent this opportunity in order to achieve agency approval. However, in addition to sharing in these costs with Reclamation, the current grant opportunity also creates an opportunity to engage a larger stakeholder group that results in additional negotiating power and helps facilitate the creation of a standardized methodology to quantify the transferrable water generated under Water Code Section 1010 and 1011 through implementation of various water conservation measures.

Board Decisions/Options

Option 1: Adopt a resolution authorizing the General Manager to sign and submit a grant proposal to the United States Bureau of Reclamation for the WaterSMART Grants: Water Marketing Strategy Grants Fiscal Year 2017.

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

Option 3: Take no action.

Staff / General Manager Recommendation

Option 1

Support Documents Attached

Attachment A: Proposed Resolution



Dan Corcoran
Environmental and Water Resources Manager



Brian Mueller
Engineering Director



Brian Poulsen
General Counsel



Jim Abercrombie
General Manager

1 **RESOLUTION OF THE BOARD OF DIRECTORS OF**
2 **EL DORADO IRRIGATION DISTRICT**
3 **AUTHORIZING THE GENERAL MANAGER TO SIGN AND SUBMIT A GRANT**
4 **APPLICATION TO, AND ENTER INTO A COOPERATIVE AGREEMENT WITH, THE**
5 **UNITED STATES BUREAU OF RECLAMATION FOR THE**
6 **WATERSMART GRANTS: WATER MARKETING STRATEGY GRANTS FOR FISCAL**
7 **YEAR 2017 PROGRAM**

8 WHEREAS, the Board of Directors of the EL DORADO IRRIGATION DISTRICT desires to
9 submit a grant application to the United States Bureau of Reclamation for the WaterSMART
10 Grants: Water Marketing Strategy Grants for Fiscal Year 2017 Program; and

11 WHEREAS, the Board of Directors of the EL DORADO IRRIGATION DISTRICT has
12 reviewed and supports the subject grant application; and

13 WHEREAS, the Board of Directors of the EL DORADO IRRIGATION DISTRICT affirms
14 that the EL DORADO IRRIGATION DISTRICT is capable of providing funding and/or in-kind
15 contributions specified in the subject grant application; and

16 WHEREAS, the Board of Directors of the EL DORADO IRRIGATION DISTRICT affirms
17 that the EL DORADO IRRIGATION DISTRICT will work with the United States Bureau of
18 Reclamation to meet all established deadlines for entering into a cooperative agreement;

19 NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the Board of Directors
20 of EL DORADO IRRIGATION DISTRICT that Jim Abercrombie, General Manager of the
21 EL DORADO IRRIGATION DISTRICT, is authorized to sign and submit a grant application to the
22 United States Bureau of Reclamation for the WaterSMART Grants: Water Marketing Strategy
23 Grants for Fiscal Year 2017 Program, and to enter into a cooperative agreement if the grant is made.

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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 26th day of April 2017, by Director who
3 moved its adoption. The motion was seconded by Director and a poll vote taken which stood as
4 follows:

5 AYES:

6 NOES:

7 ABSENT:

8 ABSTAIN:

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

11 _____
Michael Raffety
Vice President, Board of Directors
EL DORADO IRRIGATION DISTRICT

12 ATTEST:

13 _____
14 Jennifer Sullivan
15 Clerk to the Board
EL DORADO IRRIGATION DISTRICT

16
17 (SEAL)

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I, the undersigned, Clerk to the Board of the EL DORADO IRRIGATION DISTRICT hereby certify that the foregoing resolution is a full, true and correct copy of a Resolution of the Board of Directors of the EL DORADO IRRIGATION DISTRICT entered into and adopted at a special meeting of the Board of Directors held on the 26th day of April 2017.

Jennifer Sullivan
Clerk to the Board
EL DORADO IRRIGATION DISTRICT

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EL DORADO IRRIGATION DISTRICT

SUBJECT: Consideration to renew the District's existing Microsoft Enterprise Agreement for software support and licensing with current vendor SoftwareONE for a term of three years in the total amount of \$396,897.57, payable in three annual payments of \$132,299.19.

Previous Board Action

Since 2005 – Approved the enrollment and subsequent renewals of the Microsoft Enterprise Agreement for three-year terms.

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

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

AR 3061.07 allows procurement of goods or services when the pricing and terms have been previously established by another public entity.

Summary of Issues

The District's current Microsoft Enterprise Agreement expires on April 30, 2017. The Microsoft software suites support all facets of utility operations, SCADA, and IT infrastructure. Staff requests to renew this software and license agreement for an additional three-year term. The cost for renewal of this agreement is contained in the District's approved operating budget and allocated to the purpose of software maintenance. This is not a request for additional funding.

Staff Analysis/Evaluation

Microsoft software serves a critical role in fulfilling the District's information processing and communications needs, providing the foundation of computer operating systems, databases, and security required by almost every information technology application the District uses. The Microsoft software and client access licenses in this proposed agreement cover up to 225 employees, their physical and/or virtual workstations, productivity applications, and about 200 servers. Software products covered by the agreement include:

- Desktop Applications
 - Office Enterprise (Word, Excel, Outlook, Access, PowerPoint)
 - Office Project
 - Office Visio
- Server Applications
 - Exchange Server Enterprise (email system)
 - Office SharePoint Server (intranet)
 - SQL Server (database platform)
 - Remote Desktop Server (remote network access)
- Operating Systems
 - Windows Professional (7, 8, and 10)
 - Windows Server Standard and Datacenter

Compared to the current agreement that is about to expire, the proposed agreement is slightly less costly (a savings of nearly \$10,000 annually).

With the Enterprise Agreement, the District is entitled to a number of benefits that have an estimated value in excess of \$400,000, including:

- New Version Rights to licensed software released during the term of the agreement
- Spread Payments over the duration of the multi-year agreement to aid District cash flow
- eLearning Program to train users and administrators on Microsoft's products
- Training Vouchers to maintain the skills of technical support staff.
- Home Use Program for employees to obtain and use Office on their personal computers

The District has chosen and standardized a number of leading IT infrastructure solutions, including Microsoft, that have a broad base of support and robust technical certification and user training programs in place. This reduces risk and provides greater opportunities for competition in sourcing of solutions and finding qualified users, administrators, and consultants to operate and maintain the District's information technology platforms.

All technology has a lifespan and requires ongoing maintenance to provide maximum usefulness and reliability. A software support and license agreement ensures that staff receives timely and competent technical support for each application of software, and that periodic software updates are provided to maintain the security and optimal operation of each software product and its integration to other District information systems. In many instances, the right to use software is tied to the continuation of periodic maintenance payments for that technology. Continued enrollment in the Enterprise Agreement helps ensure that the District remains properly licensed with Microsoft for the products used, and spreads the cost to acquire additional licenses across multiple years.

Deferring the agreement renewal beyond the April 30, 2014 expiration date will leave required components of the District's communications and computing networks without technical support services and in some cases in violation of U.S. copyright laws. Over 85% of District staff report that IT services are required to perform a majority of their job duties. If any of the Microsoft software was to fail or become unavailable for any reason, the best case scenario is a minor financial impact due to a loss of productivity. However, the potential for significant regulatory violations, disruption of service, equipment damage, or far worse is very real.

Rather than solicit a new agreement independently, the District proposes to piggyback onto a contract already competitively bid by the County of Riverside in 2016. The proposed piggyback of the competitively bid County of Riverside Microsoft Enterprise Agreement allows the District to purchase Microsoft software licenses through SoftwareONE for 7% below Level D pricing - which is the deepest level of discount made available to any enterprise public or private, regardless of size. The D Level of pricing is generally reserved for enterprises with 15,000+ computers. The District currently utilizes about 400 computers in total, which would place pricing at a less-discounted level if we did not have the ability to piggyback.

Board Decisions/Options

Option 1: Renew the District's existing Microsoft Enterprise Agreement for software support and licensing with current vendor SoftwareONE for a term of three years in the total amount of \$396,897.57, payable in three annual payments of \$132,299.19.

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

Option 3: Take no action.

Staff / General Manager Recommendation

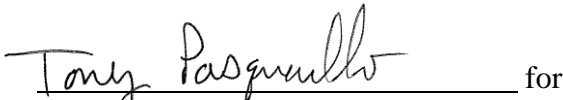
Option 1

Support Documents Attached

Attachment A: SoftwareONE quote



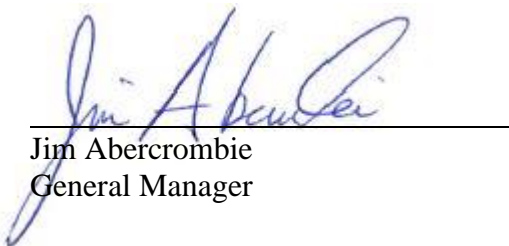
Tim Ranstrom
Information Technology Director

 for

Mark J. Price, CPA
Finance Director



Brian Poulsen
General Counsel



Jim Abercrombie
General Manager



Quoted by Miles Allarea, SoftwareONE, Inc.

Phone 916-934-6023 miles.allarea@softwareone.com

Please fax your POs to our Client Assistance Center at 800-366-9994 or email to: statestore@softwareone.com - Call 800-400-9852, option 2, to check order status.

Quoted to: El Dorado Irrigation District

3 Year Microsoft EA Renewal As Is

Date 3/31/2017

EA#
8868579

Important: Please provide the email address of the recipient designated to receive a SoftwareONE order confirmation and/or receive electronic software deliveries.

Quantity	Part #	Description	Unit Price	Ext. Price
225	76A-00016	EntCAL ALNG SA MVL Pltfrm UsrCAL wSrvcs	\$95.33	\$ 21,449.25
265	269-12442	OfficeProPlus ALNG SA MVL Pltfrm	\$81.07	\$ 21,483.55
40	KV3-00353	WINE3perDVC ALNG SA MVL Pltfrm	\$35.78	\$ 1,431.20
2	395-02504	ExchgSvrEnt ALNG SA MVL	\$617.16	\$ 1,234.32
50	076-01912	Prjct ALNG SA MVL	\$99.52	\$ 4,976.00
1	H04-00268	SharePointSvr ALNG SA MVL	\$1,035.85	\$ 1,035.85
12	7JQ-00343	SQLSvrEntCore ALNG SA MVL 2Lic CoreLic	\$2,094.79	\$ 25,137.48
22	7NQ-00292	SQLSvrStdCore ALNG SA MVL 2Lic CoreLic	\$546.29	\$ 12,018.38
50	D86-01253	VisioStd ALNG SA MVL	\$44.04	\$ 2,202.00
2	MX3-00117	VSEntwMSDN ALNG SA MVL	\$999.05	\$ 1,998.10
50	6VC-01254	WinRmtDsktpSrvcsCAL ALNG SA MVL UsrCAL	\$20.04	\$ 1,002.00
144	9EA-00278	WinSvrDCCore ALNG SA MVL 2Lic CoreLic	\$117.30	\$ 16,891.20
336	9EM-00270	WinSvrSTDCore ALNG SA MVL 2Lic CoreLic	\$16.76	\$ 5,631.36
225	4ZF-00033	VDA ALNG SubsVL MVL Pltfrm PerDvc	\$70.26	\$ 15,808.50
	Product-total			\$ 132,299.19
	Sub-Total			\$ 132,299.19
0	Tax	ESD - nontaxable. Please type "Electronic Software Delivery" on your PO.		\$ -
	Shipping			No Charge
	Total	Annual Payment		\$ 132,299.19

Prices good for 30 days

Pass-Through Warranty and Other Rights. As a reseller, end-user warranties and liabilities (with respect to any third party software products provided by SoftwareONE) shall be provided as a pass-through from the manufacturer of such products. All software products are subject to the license agreement of the applicable software supplier, as provided with the software packaging or in the software at time of shipment.