

**AMADOR WATER AGENCY
Board of Directors
Regular Meeting
November 13, 2008**

MINUTES

Directors Present: John P. Swift, President
Terence W. Moore
Paul Scott
Madonna Wiebold
David S. Thomas

Directors Absent: **None**

Staff Present: Jim Abercrombie, General Manager
Gene Mancebo, Manager of Engineering & Planning
Michael Lee, Financial Services Manager
Chris McKeage, Operations Manager
Barry Birge, Construction Manager
Stephen Kronick, Agency Counsel
Cris Thompson, Clerk of the Board

CALL TO ORDER – President Swift called the meeting to order at 9:00 a.m.

ADDITIONS TO THE AGENDA – There were no additions to the agenda.

STAFF REPORTS - E&P Manager Mancebo, Financial Services Manager Lee, Construction Superintendent Birge and Operations Manager McKeage updated the Board on the various activities they have been involved in within their respective areas of responsibility and answered any questions from the Board. Staff expressed their appreciation to the outgoing Board members for their service.

PUBLIC COMMENT – Mr. Ken Perano addressed the Board discussing the past and existing litigation on his property. Mr. Bill Condrashoff asked for clarification of how the Board is informed in a case like Mr. Perano's and staff responded accordingly.

CONSENT AGENDA

MOTION: It was moved by Director Moore, seconded by Director Scott and unanimously carried to approve the Consent Agenda.

AGENCY GENERAL

Proposed Miscellaneous Fees Adjustment -Discussion and possible adoption of Resolution No. 2008-34 revising the miscellaneous fees and charges for the Amador Water Agency Public Hearing was called at 9:45 a.m.

There was no comment on the proposed fee increases. It was moved by Director Moore and seconded by Director Wiebold and unanimously carried to adopt Resolution No. 2008-34 revising the miscellaneous fees and charges for the Amador Water Agency with a minor edit to copy size.

Conditional Will Serve Commitments -Extension of will serve commitments for a period of one year- Manager Mancebo addressed the Board regarding the current conditional will serve commitment time limit. He briefed the Board on the need for the extension. Staff is recommending in light of the current economic downturn, extending all current conditional will serve commitments and recently expired will serve commitments for a period of one year beyond their expiration dates. This item is suggested to be reviewed in one year to re-evaluate the situation. Mr. Doug Goldsmith of Ryland Homes addressed the Board and commended the Board and staff on their efforts. He stated he is in support of the extension, that they would like to see longer, but a year is good and he will be back next year. Mr. Bill Condrashoff asked if the system is fully obligated and if the Agency is turning away customers because of that. Manager Mancebo stated that no treatment is more of the concern than capacity.

MOTION: It was moved by Director Scott and seconded by Director Moore and unanimously carried to approve the extension of will serve commitments for a period of one year from their expiration dates.

Director Scott excused himself from the meeting for a medical appointment.

RECESS was called at 10:05a.m. **SESSION** resumed at 10:29 a.m.

Election of Officers -Discussion of Agency policy 2020.6 regarding election of President, Vice President and Clerk of the Board- Manager Abercrombie briefed the Board and members of the public that included the Board elect on the current policy regarding Board organization and election of officers. The policy states that a Board member must have two years service on the Board prior to taking the office of president. He stated that to ensure that the Agency has a smooth transition, the only Board member qualified under the policy to serve as president is Terry Moore. He recommended that Director Moore be elected as Interim President until the first Board Meeting on December 11, 2008. Manager Abercrombie also recommended that the rotation of officers continues after Director Moore with the District 3 Board member as stated in the policy.

Discussion and Possible action to Elect Director Moore as the Interim President

MOTION: It was moved by Director Moore and seconded by Director Wiebold and unanimously carried to approve to elect Director Moore as the interim President of the Board from December 5 to December 11, 2008.

Ayes: Directors John P. Swift, Terence W. Moore, Madonna Wiebold and David S. Thomas

Noes:

Absent: Director Paul Scott

Abstain:

AMADOR WATER SYSTEM

Plymouth Pipeline Project -Discussion on Draft AWS Financial Plan Update based on bid results- Financial Services Manager Lee gave an overview of the financial plan for the Plymouth Pipeline Project based on the bid amount for construction.

Discussion and Possible action to Authorize the General Manager to execute Amendment No.3 to the Contract with the City of Plymouth to reflect the application of the RUS loan funds and make final adjustments to the Exhibits as necessary- Manager Abercrombie briefed the Board on the exhibits that need to be adjusted. Counsel Kronick stated that the amendment before the Board covers two items, one updating the exhibits per the agreement prior to award. The second has to do with the Plymouth debt service payments. The change is in the percentage of fees that Plymouth has to pay for the debt service. The city's entire share of non grant funding costs will be financed through the USDA loan, and instead of the Agency borrowing to finance, they will use reserves to cover expenses.

Director Moore asked if the City of Plymouth was considering this item at their meeting tonight. Counsel Kronick stated that the item will be discussed at their meeting to give direction to the City Manager to execute the addendum.

MOTION: It was moved by Director Moore, seconded by Director Wiebold and unanimously carried to authorize the General Manager to execute Amendment No.3 to the Contract with the City of Plymouth to reflect the application of the RUS loan funds and make final adjustments to the Exhibits as necessary.

Ayes: Directors John P. Swift, Terence W. Moore, Madonna Wiebold and David S. Thomas

Noes:

Absent: Director Paul Scott

Abstain:

Adopt Resolution No. 2008-35 Approving the Form of and Authorizing the Execution and delivery of an Installment Purchase Agreement and a Certificate of Participation Agreement and Authorizing certain additional actions

Manager Abercrombie stated that this item is similar to the Buckhorn project, he introduced Jim Boyd, Bond counsel who is working on the installment purchase

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agreement. He discussed the financing authority and the need for the resolutions before the Board. Mr. Boyd also recommends the Agency defease the series z certificates of participation that was executed in 1996.

MOTION: It was moved by Director Moore, seconded by Director Thomas and unanimously carried to adopt Resolution No. 2008-35 Approving the Form of and Authorizing the Execution and delivery of an Installment Purchase Agreement and a Certificate of Participation Agreement and Authorizing certain additional actions.
Ayes: Directors John P. Swift, Terence W. Moore, Madonna Wiebold and David S. Thomas
Noes:
Absent: Director Paul Scott
Abstain:

Authorize the General Manager to Execute the Notice of Award for Construction pending approval by City of Plymouth

Manager Mancebo briefed the Board on the bids that were received. He stated that the lowest bid went to Mountain Cascade. Direction was given as follows:

MOTION: It was moved by Director Moore, seconded by Director Wiebold and unanimously carried to authorize the General Manager to Execute the Notice of Award for Construction pending approval by City of Plymouth

Ayes: Directors John P. Swift, Terence W. Moore, Madonna Wiebold and David S. Thomas
Noes:
Absent: Director Paul Scott
Abstain:

RECESS: 11.05

CONVENE:11.05

AMADOR WATER AGENCY FINANCING AUTHORITY (Convene as Financing Authority to Act on the following Matters)

Plymouth Pipeline Project- Adoption of Resolution 2008-AWFA-1 Approving the Form of and Authorizing the Execution and Delivery of an Installment Purchase Agreement and a Certificate of Participation Agreement and Authorizing certain additional actions

MOTION:

It was moved by Director Moore seconded by Director Thomas and unanimously carried to Adopt Resolution 2008-AWFA-1 Approving the Form of and Authorizing the

Execution and Delivery of an Installment Purchase Agreement and a Certificate of Participation Agreement and Authorizing certain additional actions

Ayes: Directors John P. Swift, Terence W. Moore, Madonna Wiebold and David S. Thomas

Noes:

Absent: Director Paul Scott

Abstain:

(Reconvene as the Amador Water Agency Board of Directors)11:08 a.m.

RECESS was called at a.m. **SESSION** resumed at a.m.

COMMITTEE MEETING REPORTS

CAWP Quarterly Meeting- Manager Abercrombie briefed the Board on the recent CAWP meeting and the topics covered at that meeting. He stated that the Gravity Supply Line discussion received support and the CAWP entities agreed to meet again in January when it is determined

Budget Committee Report- Allocate Remaining Outside Service Fund Balance

Director Moore briefed the Board on the Budget committee meeting; he stated that every few years this item is reviewed. There is \$175,000 in surplus funds in Outside services. The budget committee recommends that \$75,000 be allocated to La Mel Heights to cover the project deficit. The remaining \$100,000 will be used to reduce deficits in wastewater fund.

MOTION:

It was moved by Director Moore seconded by Director Wiebold and unanimously carried to authorize the allocation of remaining outside service funds.

Ayes: Directors John P. Swift, Terence W. Moore, Madonna Wiebold and David S. Thomas

Noes:

Absent: Director Paul Scott

Abstain:

AGENCY COUNSEL REPORT

State Legislative Report – Counsel Kronick briefed the Board on the items of interest to the Agency. He stated that he brought the bills that have passed that will affect the future planning for the Agency to share with staff.

FUTURE AGENDA TOPICS- There were no items requested

CLOSED SESSION was called at 11:15a.m. for the following matters

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- A. Pursuant to Government Code Section 54956.9(c) – Initiation of litigation- Ken Berry petitioner vs. Amador Water Agency Case No. 08-CV-5592
- B. Pursuant to Government code Section 54956.9(a) - Existing Litigation- Conference with Agency Counsel- Amador Water Agency vs. Kenneth Perano, as Trustee of the Ernest W. Perano Exemption Trust, et al. Case No. 06-CV4189
- C. Pursuant to Government Code Section 54957.6 -Conference with Labor Negotiators (Jim Abercrombie and Karen Gish) – Department Heads
- D. Pursuant to Government Code Section 54956.95- Public Employee Performance Evaluation- General Manager

OPEN SESSION RESUMED at 12:43 p.m.

General Manager Employment Contract- Discussion and Possible Action regarding the General Manager’s Performance Review- Direction was given to staff to execute General Manager’s Employment Contract with a 5% salary increase and severance package change from 6 months to 9 months.

MOTION:

It was moved by Director Moore and seconded by Director Thomas and unanimously carried to approve the General Manager’s Performance Review and contract

Ayes: Directors John P. Swift, Terence W. Moore, Madonna Wiebold and David S.

Thomas

Noes:

Absent: Director Paul Scott

Abstain:

Item 7.2 **Discussion and Possible action to Authorize the General Manager to execute Amendment No.3 to the Contract with the City of Plymouth to reflect the application of the RUS loan funds and make final adjustments to the Exhibits as necessary-** After a brief additional discussion, the Board gave authorization for the General Manager to approve an additional changes with Agency Counsel review for Amendment No. 3.

MOTION:

It was moved by Director Thomas and seconded by Director Wiebold and unanimously carried to authorize the General Manager to approve any additional changes with Agency Counsel review for Amendment No. 3.

Ayes: Directors John P. Swift, Terence W. Moore, Madonna Wiebold and David S.


Thomas

Noes:

Absent: Director Paul Scott

Abstain:

ADJOURNMENT –President Swift adjourned the meeting at 12:55 p.m.



Cris L. Thompson
Clerk of the Board of Directors

Approved: November 19, 2008