

**AMADOR WATER AGENCY
Board of Directors
Regular Meeting
April 10, 2008**

MINUTES

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

Directors Absent: None

Staff Present: Jim Abercrombie, General Manager
Gene Mancebo, Manager of Engineering & Planning
Sue Tearpak, Customer Service Supervisor
Chris McKeage, Operations Manager
Barry Birge, Construction Manager
Stephen A. 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, Customer Service Supervisor Tearpak, 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.

PUBLIC COMMENT – There was no public comment

CONSENT AGENDA

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

AGENCY GENERAL

Expansion of Lower Bear River Reservoir

Discussion and direction to proceed with the engineering study based on the attached project description- Manager Abercrombie informed the Board that the information in the packet had been superseded and copies were given to the Board yesterday and additional copies are available for the public. He stated that the Board had approved the direction to further study, and authorized Manager Abercrombie to

enter into a contract with URS engineering. He wanted to confirm the Board concurs with the project description and asked for direction to proceed. He also stated that during the course of the study there may be proprietary information with respect to PG&E that may be beneficial to the analysis therefore PG&E has requested a non-disclosure agreement. Manager Abercrombie stated that Counsel Kronick and the counsel for PG&E have worked through this agreement which is before the Board today for approval. Director Moore pointed out several sections in the project description that he would like expanded and or modified. He also emphasized the need to analyze the impact to Upper Bear River when Lower Bear is raised.

Mr. Pete Bell addressed the Board and stated that the confidentiality agreement with PG&E is normal and that is not an issue, however he did reference the approval process in the draft document. He stated that an amendment to the FERC license can not be applied for until all parties have agreed to the amendment to the settlement agreement.

Mr. Vince DeStigter addressed the Board as President of the Amador Citizens for Responsible Government. He stated that he is here today to give the full support of the group to the Agency for the Lower Bear Project.

Manager Abercrombie and Counsel Kronick answered questions of the Board for clarification. Direction was given to staff to proceed with the engineering study based on the attached project description.

Discussion and direction to authorize the General Manager to enter into a Non-disclosure and use of information agreement with PG&E- Director Moore asked about the non disclosure agreement with regards to the public records act and how that will be addressed. Counsel Kronick stated with respect to the Brown Act there are documents that will be proprietary and some that will not be. It will have to be handled on a case by case basis.

MOTION: It was moved by Director Moore and seconded by Director Scott and unanimously carried to authorize the General Manager to enter into a Non-disclosure and use of information agreement with PG&E

Mokelumne River Wild and Scenic Designation

Manager Abercrombie gave a brief history of the Wild and Scenic designation to the Board. He stated that the Agency supports wild and scenic designation for the river, as the Agency has a significant interest in preserving the river because it is the main supply of water. Foothill Conservancy provided a draft to the Agency in December for potential discussion of the proposed designation. After reviewing the proposal, Manager Abercrombie said that there are concerns with the current proposal being too restrictive and that the Agency has a responsibility to address the future water needs of the County. He stated that the impacts to the Agency with the current proposal language needed to be addressed prior to being presented to Legislation for support. In addition, the other entities such as EBMUD and PG&E that will be affected need to have their concerns addressed as well. Manager Abercrombie suggested opposing the proposal until such time as it is amended. In the meantime, he suggests that Foothill

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Conservancy, the Agency, PG&E, and EBMUD work together to craft the language so that all parties can come to an agreeable solution.

Mr. Pete Bell representing Foothill Conservancy addressed the Board and clarified the original proposal and the new proposal which extended the designation to a larger area. He addressed several of the options for diversion and also gave the Board copies of a list of supporters of the Wild and Scenic status. He stated that Foothill has no problem with working on suggested language; however they have a problem with the Board opposing the proposal. He suggested that the Board had other options than opposing the proposal, supporting if amended, taking no position and or making no decision at this time. He stated that Foothill Conservancy wants to meet with the Senate and Congress to find out what will be acceptable to get this to a bill status. He stated that they are committed to working with the Agency to come up with an agreeable solution.

Director Moore stated that his concerns are that we would come up with language and it would be redlined in Congress and pushed through without our language and concerns addressed. Manager Abercrombie stated that he would want to see what PG&E and EBMUD was proposing before the Agency would support it. Counsel Kronick asked questions of Mr. Bell for clarification, he also reiterated that Mr. Bell has represented to the Board that this bill would not be introduced to Congress until the discussions have taken place. Mr. Bell stated that the draft proposal has been given to the Legislators for review to see if it would even be considered but not to be taken to bill status yet. Manager Abercrombie stated that the Board has the option to make no decision and this item can be re-agendized after discussions have occurred. Director Moore stated that he could not support this as it stands now, he would only have the option to oppose unless amended for the protection of the customers.

Counsel Kronick suggested that the Board follow Manager Abercrombie's option of making no decision today.

Director Thomas suggested that a letter be sent to the Legislators offices to let them know that the Board has made the decision to take no action today until such time as the discussions occur and language is agreed upon.

Director Scott agreed with sending the letter.

Direction was given to staff to draft a letter to the Legislators that states the Agency does not support the language shared by Foothill Conservancy but the Agency's intention is to meet with the stakeholders to come up with the language that would be agreeable so that the Agency can support the wild and scenic designation.

RECESS was called at 10:30 a.m.; **SESSION RESUMED** at 10:45 a.m.

AMADOR WATER SYSTEM (AWS) - Wildflower Pump Station Electrical Power

Authorize General Manager to execute Amendment No.1 to Agreement with Ryland Homes dated November 8, 2007, eliminating the requirement to provide power to the Wildflower Pump Station Site. Manager Mancebo briefed the Board on the project status. He stated that the much of the electrical has not been done. Ryland Homes was supposed to complete this work per the original agreement and there was a reimbursement provision when the work was completed. Due to the fact that Ryland is having some financial issues, staff is suggesting the Agency front the funds for PG&E to complete the electrical and reduce the reimbursement amount to Ryland Homes. The

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Agency would like to be utilizing the tank for storage before peak demands of the season occur. Manager Abercrombie stated that additional storage benefits the City of Lone by reducing the Agency's backwash water to the City. Manager Abercrombie asked for authorization for the General Manager to execute Amendment No.1 to Agreement with Ryland Homes dated November 8, 2007, eliminating the requirement to provide power to the Wildflower Pump Station Site.

MOTION: It was moved by Director Moore, seconded by Director Wiebold and unanimously carried to authorize the General Manager to execute Amendment No.1 to Agreement with Ryland Homes dated November 8, 2007, eliminating the requirement to provide power to the Wildflower Pump Station Site.

RECESS was called at 11:00 a.m. **SESSION RESUMED** at 12:05 p.m.

AGENCY COUNSEL REPORT- Counsel Kronick stated there was no report at this time.

COMMITTEE MEETING REPORTS

Mokelumne River Association- Director Wiebold attended this meeting and said there was a presentation by Carlton Engineering regarding the Darby fire. Next meeting is July 11, 2008.

CLOSED SESSION was called at 12:18 p.m. for the following matters

- A. Pursuant to Government Code Section 54956.9(a) – Existing Litigation – Conference with Agency Counsel
 - 1. Amador Water Agency vs. Kenneth Perano, as Trustee of the Ernest W. Perano Exemption Trust, et al. Case No. 06-CV4189
 - 2. Amador Water Agency vs. Zeldia Mondani, Case No. 06-CV4173
- B. Pursuant to Government Code Section 54956.9 (b) - Significant Exposure to Litigation case: 2
- C. Pursuant to Government Code Section 54957.6 -Conference with Labor Negotiators (Jim Abercrombie and Karen Gish) – Management Group, AWA Employee Association and Confidential Group Negotiations

OPEN SESSION RESUMED at 12:30 p.m.

FUTURE AGENDA TOPICS- There were no items requested

ADJOURNMENT –President Swift adjourned the meeting at 12:32 p.m.



Cris L. Thompson
Clerk of the Board of Directors

Approved: 4/24/08