

AMADOR WATER AGENCY

Board of Directors

Regular Meeting

February 22, 2007

MINUTES

Directors Present: Terence W. Moore, President
John P. Swift, Vice President
Heinz H. Hamann
Dan Brown
David S. Thomas

Directors Absent: None

Staff Present: Gene Mancebo, Manager of Engineering & Planning
Michael Lee, Financial Services Manager
Chris McKeage, Operations Manager
Kimberly A. Toma, Clerk of the Board

CALL TO ORDER – President Moore called the meeting to order at 9:00 a.m. and led the pledge of allegiance.

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

PUBLIC COMMENT – There was no public comment.

CONSENT AGENDA

MOTION: It was moved by Director Hamann, seconded by Director Thomas, and carried to approve the consent agenda.

AMADOR WATER SYSTEM

Bond Allocation Update and Projections – Update on Balance and Allocations of 2006 Proceeds – Financial Services Manager Lee updated the Board on the status of the fund proceeds from the bond sale. He stated that as a result of the Series “A” Certificate of Participation, the Agency received \$22.9 million. He stated that the Agency also received EBMUD’s contribution of approximately \$4 million. He reviewed the projects that this funding has been used for to date and the projections for the remainder which he expected will be drawn down by the end of this year.

The Board asked questions such as the time limit for the expense of these funds and the PGandE contributions to the Pipeline Project. Staff addressed their comments and questions.

Tanner and lone Water Treatment Plants

Revisit and Discuss the Regional Plant Concept versus Individual Plants –

E&P Manager Mancebo updated the Board on the status of the activities that Staff has been investigating since the last Board meeting where direction was given to Staff to complete some quick fix capacity improvements to both plants; to refine options for Tanner as a Regional Plant; analyze cash flow and rate impacts; and to begin design and environmental work for the new regional plant. He stated that this topic was reviewed with the Engineering Committee recently as well.

He stated that the quick fix improvements are underway and almost complete at Tanner, and are complete at lone.

He stated that further refinement of the options for Tanner as a regional plant have been underway. He stated that in this review, there are some users in the lone area that are currently using large amounts of untreated water off of the lone Pipeline. He discussed options for those users to provide them with either reclaimed water, ARSA excess water and other options to convert those customers to other water sources. He stated that Unimim Corporation was the largest user and utilizes untreated water for their productions. He stated that Staff is recommending that the Board give direction to complete a study that will investigate the possibilities of Unimin's operations incorporating other types of water, for example, either reclaimed water or treated wastewater from the ARSA system or the City of lone's wastewater treatment plant.

Directors Hamann and Brown of the Agency's Engineering Committee also spoke relative to this subject. The other Directors asked questions concerning the capacity of the lone Pipeline, the cash flow problems with building two plants vs. one plant, and the growth potential in the lone area.

Mr. Mike Krisman, Lake Camanche resident, asked questions regarding the use of the lone Reservoir to which Staff answered.

MOTION: It was moved by Director Hamann, seconded by Director Brown, and unanimously carried to ---- see Staff Report.

IMPROVEMENT DISTRICTS

Water Improvement District No. 7 – Installation of a New Well and Authorization to Execute a Construction Contract and Issue a Notice to Proceed -

E&P Manager Mancebo stated that at the Board's recent direction, Staff has been working on bringing this project to fruition. He stated that the easement has been obtained for the well site and appurtenances, the bid for the well is out and are scheduled to be opened this afternoon. He stated that in order to keep this project rolling Staff is recommending that the Board pre-authorize, 1) entering into a contract with the successful lowest responsible bidder, and 2) issuing the Notice to Proceed as long as the contract amount does not exceed \$100,000.

Mr. Mike Krisman asked questions to bring him up to speed on the water situation in Lake Camanche.

MOTION: It was moved by Director Brown, seconded by Director Hamann, and unanimously carried

COMMITTEE MEETING REPORTS

Mountain Counties Water Resources Association Meeting Report – None of the Directors present attended this meeting, so there was no report.

Engineering Committee Meeting Report – Director Brown reported that the Committee met and discussed the Tanner/lone Treatment Plant discussion as previously reported. He also stated that the other subject discussed was the Gravity Supply Line Project and the status of that Project and the need to re-evaluate this Project due to cost issues. E&P Manager Mancebo further explained the issues surrounding the Project and alternatives that Staff would like to review further. He discussed the possibility of terminating the agreement with Kimley-Horn, who is performing the pre-engineering and design, and refocus on bringing this project on line cost effectively.

GENERAL MANAGER'S MONTHLY REPORT – President Moore stated that the Manager Abercrombie is not present today as he is at a meeting with the Governor's Office with other rural counties to discuss wastewater issues facing areas with small customer bases.

FUTURE AGENDA TOPICS – A discussion of the Business School Alliance and a Dry Creek Watershed Committee Report.

ADJOURNMENT – President Moore adjourned the meeting at 9:50 a.m.

Kimberly A. Toma
Clerk of the Board of Directors

Approved: _____