

Minutes of Wednesday, August 2, 2017
North Delta Water Agency Board of Directors Meeting
14120 Grand Ave. (Walnut Grove Community Church), Walnut Grove

Call to Order

Chairman Mello called the board of directors meeting to order at 9:38 a.m. on Wednesday, August 2, 2017. A quorum was determined at that time. Those present:

Directors

Steve Mello, Division 1
Jack Kuechler, Division 3
Tom Hester, Division 5

Staff

Melinda Terry, Manager
Kevin O'Brien, Downey Brand
Gary Kienlen, MBK Engineers

Others

See attached sign-in sheet.

Approval of the Minutes

Minutes for both the June 7, 2017 regular board meeting and the Special Board meeting on July 17, 2017 were presented. Corrections to a minor typo error on the Closed Session section of the June 7th minutes and the location address and identification of Director Kuechler on the phone instead of Director Hester for the July 17th meeting were requested.

MOTION by Director Kuechler to approve the both the June 7, 2017 and July 17, 2017 minutes, as corrected. Seconded by Director Hester, and unanimously approved by a voice vote. (AYES: Mello, Kuechler, and Hester)

Financial Report

Melinda presented the monthly financial statements and end-of-year statements for fiscal year 2016-17.

MOTION by Director Hester to accept the financial statements as presented. Seconded by Director Kuechler, and unanimously approved by a voice vote. (AYES: Mello, Kuechler, and Hester)

Gary Kienlen reported that the final Consumer Price Index (CPI) was 3.25%, so pursuant to Agency policy, this number is higher than 3% and will therefore be used to set the NDWA assessment base rate at \$3.58. The minimum parcel rate will be \$9.30.

Engineer Report

Gary Kienlen distributed water quality graphs, noting salinity levels are currently well within the Contract criteria at all NDWA monitoring locations.

Legal Report

Kevin O'Brien reported that the Part 1 WaterFix Change of Diversion Petition hearings focused on injury to other water users have concluded. The hearings will be on break until sometime in the Fall when Part 2 will start, focusing on environmental impacts to fish and habitat. He anticipates NDWA participating to a lesser extent in Part 2, probably will include cross-examining witnesses, but may decide not to submit testimony and

evidence.

DWR certified the WaterFix EIR on July 21, 2017, which starts a 30-day clock for CEQA lawsuits to be filed. The challenge must be based on the administrative record which is all of the prior comment letters submitted on the project. The NDWA Board has authorized Downey Brand to file a CEQA challenge by the August deadline. The Board concurred with his recommendation to jointly file lawsuit with Downey Brand's other Delta client, the City of Brentwood. Kevin speculated that it will be another year-and-a-half before the actual court proceeding starts.

He briefed the Board on recent letters from both DWR and the Dept. of Fish and Wildlife (CDFW) requesting the Contract payment deadline of June 30th be extended until October so that all three parties could work on executing another Memorandum of Understanding authorizing a credit against the Contract payment for the amount of annual assessments owed by CDFW. DWR's letter also mentions they dispute how NDWA has been calculating the amount owed by CDFW and is working on reconciling these figures to present in our first discussion. Kevin will contact legal representatives with both departments to schedule a meeting. In the meantime, Downey Brand has already filed a State Claims for the delinquent FY 2016-17 assessments owed by CDFW.

Manager Report

Decision on Item 6A, resolution regarding Delta flows pursuant to ACWA request, was postponed until the next regular NDWA meeting.

Delta Activities Report

SWRCB/Delta Watermaster

Micah Green attended on behalf of the Watermaster and expressed appreciation for the assistance of NDWA board members in contacting water users that were delinquent in submitting water use reports.

Closed Session

The board adjourned into closed session to confer with legal counsel on three items: State Water Resources Control Board proceedings regarding Petition for Changes in Water Rights of Department of Water Resources and U.S. Bureau of Reclamation for the California WaterFix Project, recovery of delinquent assessments under the Government Claims Act, and CEQA litigation on WaterFix Project Environmental Impact Report (EIR).

The board reconvened in open session at 10:48 a.m. and Chairman Mello announced the Board approved one reportable action authorizing the Manager to sign a letter consenting to Andrew Deeringer's representation of the State Water Resources Control board in connection with the WaterFix water right hearings.

Adjournment

Chairman Mello adjourned the meeting at 10:49 a.m.

Respectfully submitted by Melinda Terry, Manager