

SITES PROJECT JOINT POWERS AUTHORITY

MINUTES OF MEETING

April 4, 2012

Chair Ken LaGrande called the meeting of the Sites Project Joint Powers Authority (Sites JPA) Board of Directors to order at 11:31 a.m. The meeting was held at the Glenn County Board of Supervisors' Chambers, 525 West Sycamore Street, Willows, California 95988.

Present:

County of Colusa, Gary Evans
Glenn-Colusa Irrigation District (GCID), Sandy Denn
Reclamation District 108 (RD 108), Fritz Durst
Maxwell Irrigation District (MID), Greg Mensik
Tehama Colusa Canal Authority, Ken LaGrande

Absent:

County of Glenn
Yolo County Flood Control and Water Conservation District (YCFC&WD)
Kamyar Guivetchi, Department of Water Resources

Also Present:

Sean Doherty, RD 108; Wade Mathis, Gary Schaad, Jeff Sutton, TCCA; Mary Spooner Danley, GCID; Lester Messina, Jim Donnely, Glenn County; Jim Bond, Bond Tax and Financial Services; Holly Dawley, Martin Nicholson, Robert Leaf, CH2M Hill; Mark Atlas, Steve Saxton, J. Mark Atlas Attorneys; Ajay Goyal, Sean Sou, Dave Bogener, DWR; Don Glaser, Regional Director, Bill Vanderwaal, Mary Johannis, Ron Ganzfried, Sharon McHale, USBR

Approve Agenda

Director Denn moved to approve the agenda, Director Durst seconded and the agenda was approved by unanimous vote.

Public Participation

Chair LaGrande called for public participation; however, no one from the public raised any issues.

Director Durst introduced RD108's new Alternate Director Sean Doherty, and Chair LaGrande introduced TCCA's new Alternate Director Wade Mathis.

USBR Regional Director Don Glaser was welcomed to the meeting.

Minutes

Director Durst moved to approve the February 14, 2012, minutes, Director Denn seconded the motion, and the minutes were approved by unanimous vote.

FINANCIAL CONSIDERATIONS

Approve Payment of Claims and Accept Treasurer's Report

Director Durst moved, Director Evans seconded and it was unanimously voted to accept the Treasurer's Report as presented.

Approve Accounting Contract with Bond Tax and Financial Services

Jim Bond of Bond Tax and Financial Services was introduced to the Board. Director Durst moved, Director Mensik seconded and it was unanimously voted to approve the contract with Bond Tax and Financial Services.

GOVERNANCE AND INTERNAL ORGANIZATION

Discuss Need for General Manager and Associated Duties (ongoing)

Discussion continued regarding the need for the Board to consider hiring a Sites JPA manager. The Sites JPA will be more active in the planning, budgeting and interacting with the agencies. This activity is likely to be significant and will require management duties that will exceed the capacity currently provided by the Member's managers.

The Board directed staff to continue with their discussion of general manager responsibilities and to develop a job description. An ad-hoc committee of Directors Denn and Durst was assigned to work with the managers.

Discuss and Consider Election of Officers

Director Evans moved that the slate of officers of the board remain the same: Chair Ken LaGrande, Vice Chair Fritz Durst and Secretary/Treasurer Don Bransford. Director Durst seconded and the motion passed by unanimous vote.

Discuss and Consider Appointment of Alternate Director for Tehama Colusa Canal Authority

Director LaGrande moved to accept Wade Mathis as the Alternate Director for Tehama Colusa Canal Authority to replace Director Dennis who is no longer on the Board. Director Denn seconded, and the motion passed by unanimous vote.

Review Current Board Members and Alternates

A review of the current directors and alternate directors took place. No action was required.

Discuss Role of Sites JPA as Lead or Responsible Agency for CEQA/NEPA Documents

DWR inquired about the role that the Sites JPA would like to fulfill in regard to the CEQA process. Mark Atlas and Steve Saxton, attorneys for TCCA, were in attendance, and generally explained that if the Sites JPA were to participate as the 'lead agency' they would have much more control of the process and decision-making related to the design, implementation and operation of the Project. Whereas, if the Sites JPA chose to participate in the role of a 'responsible party' it is similar to a 'cooperating agency' under NEPA, the Sites JPA would have the opportunity for consultation and input prior to any final decisions

being made, but those decisions would ultimately be the responsibility of the 'lead agency' currently DWR.

Further, the legal ramifications of serving in the role of either 'lead agency' or 'responsible party' was also discussed. It was suggested that regardless of the ultimate role the JPA chooses to fulfill, both GCID and TCCA, due to the utilization of their infrastructure and the impact on their operations, would almost certainly want to independently participate as responsible agencies. USBR is the lead agency under NEPA.

DWR also discussed the idea of continuing to serve in the role of 'lead agency' for the time being throughout the feasibility studies and the Notice of Determination, Sites JPA would continue being a 'responsible party' throughout that process. At a future date perhaps the Sites JPA would change to 'lead agency.'

Ultimately, the Board directed that each member agency discuss this decision independently with their respective legal counsel prior to the next JPA Board meeting. Staff would discuss these implications with the JPA legal counsel and have him prepare to review and advise the JPA on these issues.

Discuss and Approve Request to Submit Membership Application to ACWA/JPIA for Liability Insurance

Jeff Sutton explained that as activities of the Sites JPA increase, it will be important to obtain insurance to protect the Sites JPA and its directors against potential liability claims. As a public agency, Sites JPA has access to obtaining liability insurance from the Association of California Water Agencies Joint Powers Authority (JPIA). In order to purchase insurance from JPIA, Sites JPA will first need to join the Association of California Water Agencies (ACWA). Membership in ACWA will cost \$347 from April 1, 2012, through December 31, 2012. Thereafter, annual dues for ACWA membership will be approximately \$835. The cost of the liability insurance from JPIA has been quoted at \$2,250 per year, which is a minimum premium for entities with no employees.

On motion by Director Denn and seconded by Director Durst, it was unanimously voted to apply for membership to ACWA.

Regular Business

Discuss Cemetery Relocation Issue (ongoing)

Dave Bogener, DWR, reported that the Lodoga Cemetery has been identified as a possible relocation site of those interred in the Sites Cemetery. It has been difficult to determine the exact number of graves as headstones and markers have been destroyed and there is a possibility that there are graves outside of the fenced area, due to other religious factors of the deceased.

Report on Recent Hearing at the U.S. House of Representatives

Chair LaGrande reported that GCID General Manager Thad Bettner testified at a Congressional subcommittee hearing on February 7, 2012, *Water for Our Future and Job*

Creation: Examining Regulatory and Bureaucratic Barriers to New Storage Projects . The purpose of the hearing was to provide insight into the bureaucratic processes that are hindering projects moving forward. Millions of dollars are being spent on studies that take years to complete due to changing criteria and conditions.

Presentation from USBR on Shasta Lake Water Resources Investigation

Mary Johannis and Ron Ganzfried presented a report on the Shasta Enlargement Feasibility Study. The presentation addressed the potential impacts, costs and benefits of the five action alternatives evaluated to date. USBR and cooperating agencies are analyzing alternative dam raises from 6.5 to 18.5 feet and corresponding increases of reservoir storage from 256,000 to 634,000 acre feet.

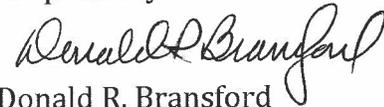
Report from DWR

Ajay Goyal of DWR reported that the draft EIR/EIS had been scheduled for completion by June of 2012, however it is likely that this schedule has been slightly delayed. The USBR, DWR and the Sites JPA will provide a technical review. Each chapter will be e-mailed to the Sites JPA member managers for their review and input over the next few months. Further, meetings will be scheduled with Sites JPA member managers to address schedule, cost estimates, feasibility study approaches, operations, benefits, and CEQA.

Adjournment

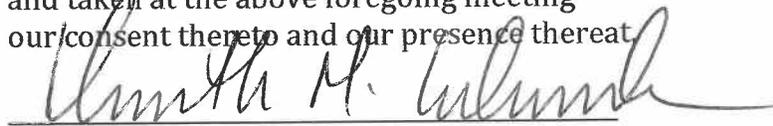
The meeting adjourned at 1:42 p.m.

Respectfully Submitted,



Donald R. Bransford
Secretary to the Board

Attest a true record of proceedings made
and taken at the above foregoing meeting
our consent thereto and our presence thereat



Kenneth M. LaGrande