



**American
River
Authority**

MINUTES

**BOARD OF DIRECTORS
AMERICAN RIVER AUTHORITY**

Monday, June 9, 2014
2:00 p.m. Adjourned Meeting

ENTITY	DIRECTORS	ALTERNATES
County of El Dorado	Ron Briggs	Ray Nutting
County of Placer	Jennifer Montgomery	Robert Weygandt
County of San Joaquin	Ken Vogel	VACANT
El Dorado County Water Agency	Brian Veerkamp	Maria Capraun
Placer County Water Agency	Robert Dugan	Mike Lee
Public Member	Ken Yorde	VACANT

Ron Briggs (Chair of the Board)
Ken Yorde (Vice-Chair)

David Breninger (Executive Director)
Chris Williams (Legal Counsel)

ARA Members Present:

Robert Dugan
Jennifer Montgomery (via teleconference)
Ken Yorde, Vice-Chair
Ken Vogel
Brian Veerkamp

ARA Absent Members:

Chair Briggs

ARA Staff Present:

David Breninger, Executive Director
Ed Horton, ARA Consultant
Joseph Parker, Treasurer
Chris Williams, Legal Counsel

Guests:

Dave Eggerton, General Manager, El Dorado County Water Agency
Cheri Sprunck, PCWA Clerk to the Board
Gary Estes

A. CALL TO ORDER

Vice Chair Yorde called the meeting to order at 2:02 p.m. at the El Dorado County Water Agency, -
4110 Business Drive, Suite B, Shingle Springs, California.

1. Pledge of Allegiance

Vice Chair Yorde led the Pledge of Allegiance.

2. Roll Call & Introductions

Roll call was conducted. Chair Briggs is absent. Director Dugan called and said he would arrive shortly.

3. Organizational Matters; take action as necessary and appropriate:

a. Recognize newly appointed members.

Director Veerkamp introduced himself.

b. Make appointments, if any, to the vacant Alternate positions.

Director Veerkamp said El Dorado County Board of Supervisors is working on getting an alternate Board member.

Director Vogel said he is termed out at the end of this year.

It was noted Chair Briggs is termed out this year.

c. Select Chair and Vice Chair for July 1, 2014, through June 30, 2015.

Action: Motion by Director Veerkamp nominating Director Montgomery as Chair; motion seconded by Director Yorde and adopted by unanimous roll call vote of Directors present.

Action: Motion by Director Montgomery nominating Director Veerkamp as Vice-Chair; motion seconded by Director Vogel and adopted by unanimous roll call vote of Directors present.

B. PUBLIC COMMENT:

No member of the public commented.

C. CONSENT CALENDER

1. Approve June 17, 2013, minutes.

Action: Motion by Director Montgomery approving Consent Calendar item 1; motion seconded by Director Vogel and adopted by roll call vote of Directors present. Director Veerkamp abstained.

D. GENERAL ITEMS

1. Receive Independent Auditor's Report prepared by Maze & Associates for the fiscal year ended June 30, 2013.

Director Dugan arrived at 2:10 p.m.

Mr. Parker reported the financial statements are for the year ending June 30, 2013. It is unqualified or the best opinion you can have. Expenses for the year were \$7,500. At the end of the year there was \$89,000 in cash.

Also included in the agenda packet is the communication the auditor is required to give to the legislative organization. It says they considered the internal controls and do not express an opinion on them but they haven't identified any deficiencies with them.

Mr. Veerkamp inquired where the income comes from.

Mr. Parker explained it is collected from member agency dues, but the dues haven't been assessed for a few years. The expenses are minimal so we are working off prior received amounts.

Action: Motion by Director Vogel to receive and file the audit; motion seconded by Director Dugan and adopted by roll call vote of Directors present. Director Veerkamp abstained.

2. Adopt Resolution 2014-01 adopting Amendment No. 5 of the American River Authority Joint Powers Agreement, which amends audit requirements.

Mr. Parker said there is a requirement that the ARA have an annual audit. It was costing \$3,800 to \$4,200 annually to audit \$7,500 of expenses. If we had the option of an audit once every five years, it would save money.

Mr. Williams said Government Code 26909 sets forth the requirements for audits and the controlling entity is the Board of Supervisors in each county. They also have a say in when and how often special districts are audited. The ARA's Joint Powers Agreement (JPA) requires an annual audit, but the statute has an exception. Everyone has to agree—the ARA Board and each of the Boards of Supervisors—to approve moving to once every five years as long as revenues stay below \$20,000 per year.

Director Vogel said this item has been tied to revenue and asked if it should be tied to expenditures.

Mr. Williams said both conditions can be set.

Director Dugan asked for clarification that if the ARA Board decided there was a topic it needed to engage on as an entity would a meeting and agenda need to be set to vote to expend funds.

It was confirmed there would need to be a properly noticed meeting.

Action: Motion by Director Veerkamp adopting Resolution 2014-01 adopting Amendment No. 5 of the American River Authority JPA with the provision if revenues or annual expenditures were to exceed \$20,000, an annual financial statement (not audited) will be sent out annually; motion seconded by Director Dugan, and adopted by unanimous roll call vote of Directors present.

3. Approve proposed Annual Budget for the fiscal year ending June 30, 2015, which includes no dues/assessments.

Mr. Horton reported the ARA has a 2014-15 operating budget of \$6,000. There are no assessments.

Action: Motion by Director Veerkamp approving the ARA Annual Budget for the fiscal year ending June 30, 2015, with no dues or assessments; motion seconded by Director Vogel and adopted by unanimous roll call vote of Directors present.

4. Adopt Resolution **2014-02 adopting a Records Retention Schedule and Authorizing the Destruction of Certain Authority Records.**

Mr. Horton reported on the creation of the records retention schedule. The draft has been approved by legal counsel. He noted by law the ARA needs a records retention schedule before records may be destroyed.

Action: Motion by Director Veerkamp adopting Resolution 2014-02 adopting a Records Retention Schedule and authorizing the destruction of certain Authority records; motion seconded by Director Montgomery and adopted by unanimous roll call vote of Directors present.

E. REPORTS BY DIRECTORS

Director Vogel encouraged the new Chair and staff that if instances come up where Board needs to take action because of the changing water patterns in the State, it is a short drive for him to come and meet in case something needs to be done.

Directors Montgomery and Dugan agreed with Director Vogel.

F. REPORT BY LEGAL COUNSEL

Legal Counsel said Amendment No. 4 of the JPA broadens powers of the Authority to protect water rights of the entities and to take all steps necessary.

G. REPORT BY EXECUTIVE DIRECTOR

The Executive Director directed staff to distribute Amendment 4 to the full panel. Amendment 4 was created to look out for the impact of CALFED which eventually became the Bay Delta Plan. The Bay Delta Plan has cast a huge shadow across the American River waters. Those involved in the Water Forum and Regional Water Authority have always been very concerned that no matter how many peace treaties we do locally, they all get trumped by the federal and state contractors on the other side of the Delta.

The issue of concern of the federal operation of Folsom has become very evident this year with the Bay Delta Plan. If there was ever a need, the ARA could address the issue. The State failed to do a proper environmental document on their proposed Bay-Delta Plan. This may be a rallying area where public officials can properly call meetings to quickly galvanize some thinking.

This has more to do with our water rights or the abuse of the water in our counties.

Placer County Water Agency supports keeping the ARA alive until things settle out with the federal government.

Placer's biggest concern is releasing water to Folsom under the current plan. We have been told by federal officials we lose interest of that water as soon as it gets below the intakes for the City of Roseville, City of Folsom, and San Juan Water District. In other words it is confiscated.

Director Vogel said farmers along Calaveras along the Mokelumne have letters from the Governor, from the State, that even though the water is there right now, they can't take it. It was stored water; it's not the natural flow.

Mr. Horton explained San Joaquin County was to get water off the American River and has suffered immensely by the failures of others who promised wet water but have not provided any. That's what brought San Joaquin County into the ARA.

H. NEXT REGULAR MEETING DATE:

To be announced.

Mr. Horton thanked Director Vogel for his service over the years.

I. ADJOURNMENT

Director Yorde adjourned the meeting at 2:35 p.m.

Respectfully submitted,

Cheri Sprunck
Agency Secretary/Clerk to the Board
Placer County Water Agency