



EL DORADO
WATER & POWER
AUTHORITY

CONFORMED AGENDA EL DORADO WATER & POWER AUTHORITY

Wednesday, September 12, 2018 – 9:06 a.m.

El Dorado County Water Agency
4330 Golden Center Drive, Suite C
Placerville, CA 95667

Board of Directors: Dr. Dale Coco, Alan Day, Shiva Frentzen (Chair), John Hidahl, Sue Novasel, George Osborne, Greg Prada, Michael Raffety, Michael Ranalli (Vice-Chair), Brian Veerkamp, Kelly Sheehan (non-voting member).

Note: Article V, Section 2 of EDWPA Joint Powers Agreement provides, “Members of the Board of Directors shall serve without compensation other than that approved and paid by the Party that the director represents. Reimbursable expenses of directors shall be the responsibility of the Party that the director represents.”

****If a writing that is a public record is distributed less than 72 hours prior to an open meeting of this Board, a copy of the writing will be made available for public inspection at the time the writing is distributed to the Board at the address and when electronically available posted on the website listed above.**

CALL TO ORDER OF MEETING and ROLL CALL - Directors Present: Director Coco (arrived at 9:10 a.m. during Closed Session), Director Frentzen, Director Hidahl, Director Prada, Director Raffety, Director Ranalli, Director Veerkamp Absent: Director Day, Director Novasel, Director Osborne and Director Sheehan (non-voting member).

PLEDGE OF ALLEGIANCE TO THE FLAG

OPEN FORUM: Public comments during open forum are limited to three (3) minutes.

ADOPTION OF AGENDA AND APPROVAL OF CONSENT CALENDAR

At this time the Board will make any necessary additions, deletions, or corrections to the Agenda; determine matters to be added to or removed from the Consent Calendar; and with one motion adopt the Agenda and approve the Consent Calendar.

BOARD ACTION: Motion by Director Veerkamp, seconded by Director Ranalli, the Board adopted the Agenda and approved the Consent Calendar, approved.

CONSENT CALENDAR: Determination of matters to be added to or removed from the Consent Calendar and Board action on the Consent Calendar.

1. **Approval of Minutes (Conformed Agenda).** Approval of Minutes (Conformed Agenda) of the El Dorado Water & Power Authority (“EDWPA”) meeting of July 11, 2018.
RECOMMENDED ACTION: Approve Conformed Agenda.
2. **Monthly Financial Reports.** Receipt of monthly financial reports for EDWPA.
RECOMMENDED ACTION: Receive and file the attached: (1) Warrant Register; (2) Cost Share Contribution Financial Report for Supplemental Water Rights Project; and (3) Budget-to-Actual Summary.

END CONSENT CALENDAR

CLOSED SESSION:

Closed Session - Pending Litigation –Pursuant to Government Code Section 54956.9(a)(d)(1) (Schaefer and Downey Brand). In the Matter of Water Rights Applications 5644X02 and 5645X12 before the State Water Resources Control Board.

Closed Session - Existing Litigation –Pursuant to Government Code Section 54956.9(d)(1) (Schaefer and Downey Brand). Petition by California Department of Water Resources and U.S. Bureau of Reclamation for Change in Point of Diversion for the California WaterFix Project – State Water Resources Control Board.

The Board recessed in to Closed Session at 9:09 a.m. Closed Session adjourned and Open Session reconvened at 9:58 a.m. General Counsel stated there was no reportable action taken during Closed Session.

DISCUSSION CALENDAR:

3. **El Dorado Water Reliability Project: Presentation and Discussion Regarding Options for the Organizational Structure**
This item continued from the July 11, 2018 Board of Directors meeting.
The El Dorado Water & Power Authority (EDWPA) continues to pursue a long-term water supply for El Dorado County as established in the County’s General Plan and provided in the 2005 agreement between El Dorado County (EDC), El Dorado County Water Agency (EDCWA), El Dorado Irrigation District (EID) and the Sacramento Municipal Utility District (SMUD). This Agreement is commonly referred to as the “SMUD Agreement.” At the June 13, 2018 Board meeting, the EDWPA Board received an update to the El Dorado Water Reliability Project (EDWRP). Because of the expiration of one of the guiding agreements between EDC, EDCWA and EID, known as the “Inter-County Coordination Agreement” (ICCA), the EDWPA Board requested the Executive Director develop options for the Board to consider and to allow

the EDWRP to move forward in an efficient and uninterrupted process as provided in the 2005 SMUD Agreement. The purpose of this agenda item is to provide the Board with options to continue the EDWRP as provided in the SMUD Agreement, and to provide direction to the Executive Director for actions necessary to move forward in an efficient and uninterrupted process.

BOARD ACTION: Motion by Director Veerkamp, seconded by Director Hidahl, the Board approved staff put together a timeline and draft itinerary to be presented at the November 13, 2018 El Dorado County Board of Supervisors meeting and the November 14, 2018 El Dorado Water & Power Authority Board of Directors meeting, approved.

A written copy of the Executive Director's Power Point Presentation to the Board this date is attached and made a part of this Conformed Agenda.

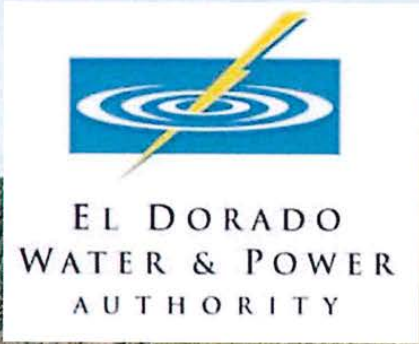
Motion by Director Raffety, seconded by Director Ranalli, the Board approved El Dorado Water & Power Authority staff and counsel meet with El Dorado Irrigation District staff and counsel, County of El Dorado staff and counsel between today's date and November, approved.

BOARD OF DIRECTOR'S COMMUNICATIONS/DIRECTION TO STAFF: None.

EXECUTIVE DIRECTOR'S REPORT: None.

ADJOURNMENT @ 11:02 a.m.

NEXT REGULARLY SCHEDULED MEETING: October 10, 2018 9:00 a.m., at the El Dorado County Water Agency, 4330 Golden Center Drive, Suite C, Placerville, CA, 95667.



EL DORADO
WATER & POWER
AUTHORITY

El Dorado Water & Power Authority
Board of Directors Presentation

El Dorado Water Reliability Project

SEPTEMBER 12, 2018

OUTLINE OF DISCUSSION

El Dorado Water & Power Authority



1. Introduction
 - a) Overview and status
2. Basis for El Dorado Water Reliability Project
 - a) Overview of Agreements
 - b) Status of Agreement
3. Background (Approach for EDWRP)
 - a) Non-traditional Approach
 - b) Countywide vs. Service Areas
 - c) Regional Planning & Integration
 - d) Application Approach
4. Alternatives for EDWRP
5. Open Discussion

EDWRP - PROJECT OVERVIEW

- 1927 PRIORITY WATER RIGHT
 - Extension of the Upper American River Project (SMUD)
 - Consistent with provisions in the Cooperative Agreement Collaboration with the City of Sacramento
 - SacCity also uses SMUD facilities in diverting, rediverting, and storing their appropriated water rights.
- STATE BOARD APPLICATION - 40,000 AFY American River
 - Partial Assignment of existing water right (SMUD)
- USE WATER AS A REGIONAL ASSET FOR MULTIPLE BENEFITS :
 - El Dorado County future M&I + Ag demands
 - Interim Benefits:
 - LAR environmental water
 - LAR basin groundwater banking / conjunctive use
 - Water Transfers (Interim or regional)

DRAFT EIR: NEXT STEPS

Strategy to Address Comments (March-May, 2018)

- Comment summaries and team review (Feb-March, 2018)
- Comment strategy development (April-May, 2018)

Demand Report Update (April draft document)

Modeling Analysis (Kickoff after Demand Report complete – September, 2018)

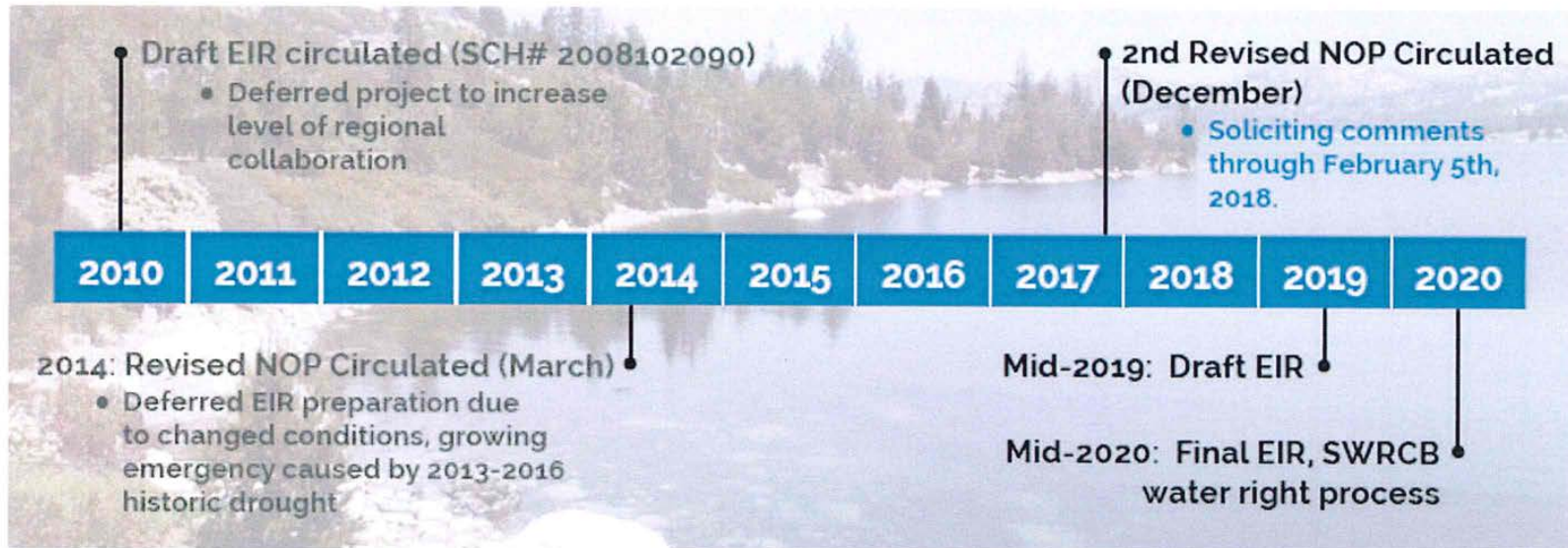
Administrative Draft EIR Development (April, 2018 kickoff)

- Programmatic analysis for long-term facilities: April kickoff
- Water side analysis (hydro, water quality, fish, recreation): July kickoff

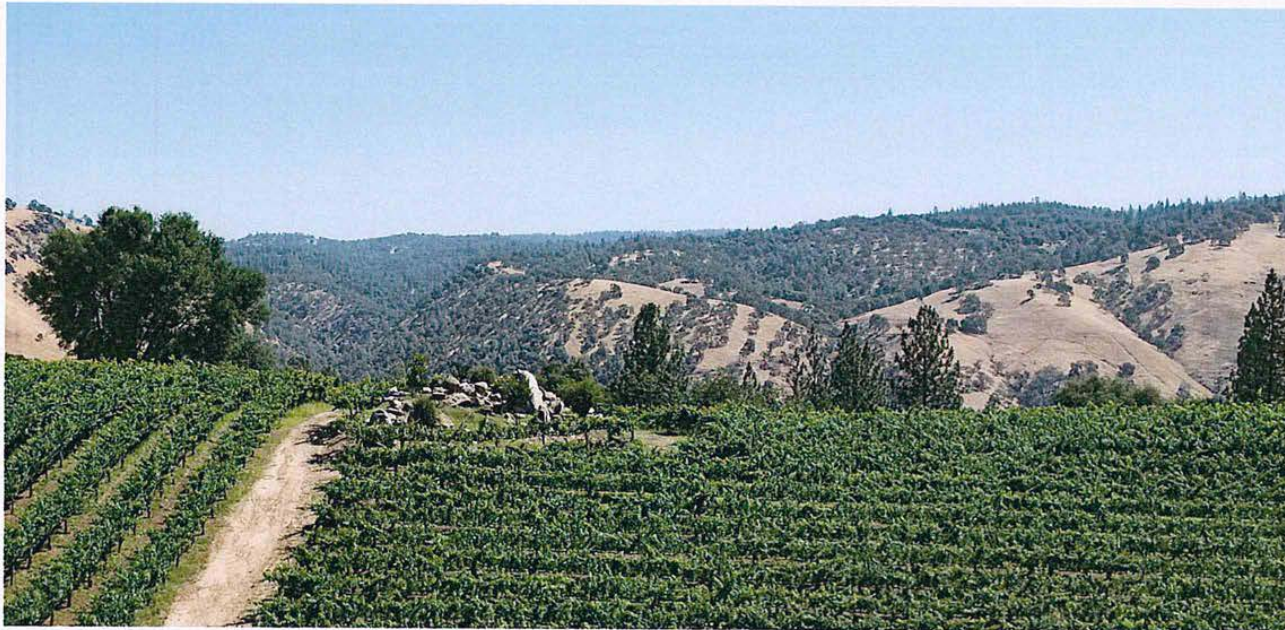
Public Draft EIR (Mid-2019)

CEQA PROCESS TIMELINE

CEQA Process and EIR Timeline



BASIS FOR EDWRP



Agreements

2004 JPA Formation

*2005 SMUD Agreement**

2005 Intra-County Coordination Agreement

2005 1st Amendment to JPA

2008 2nd Amendment to JPA

2007 Supplemental Water Acquisition Project Cost Share Agreement

2009 (March) Transition Agreement

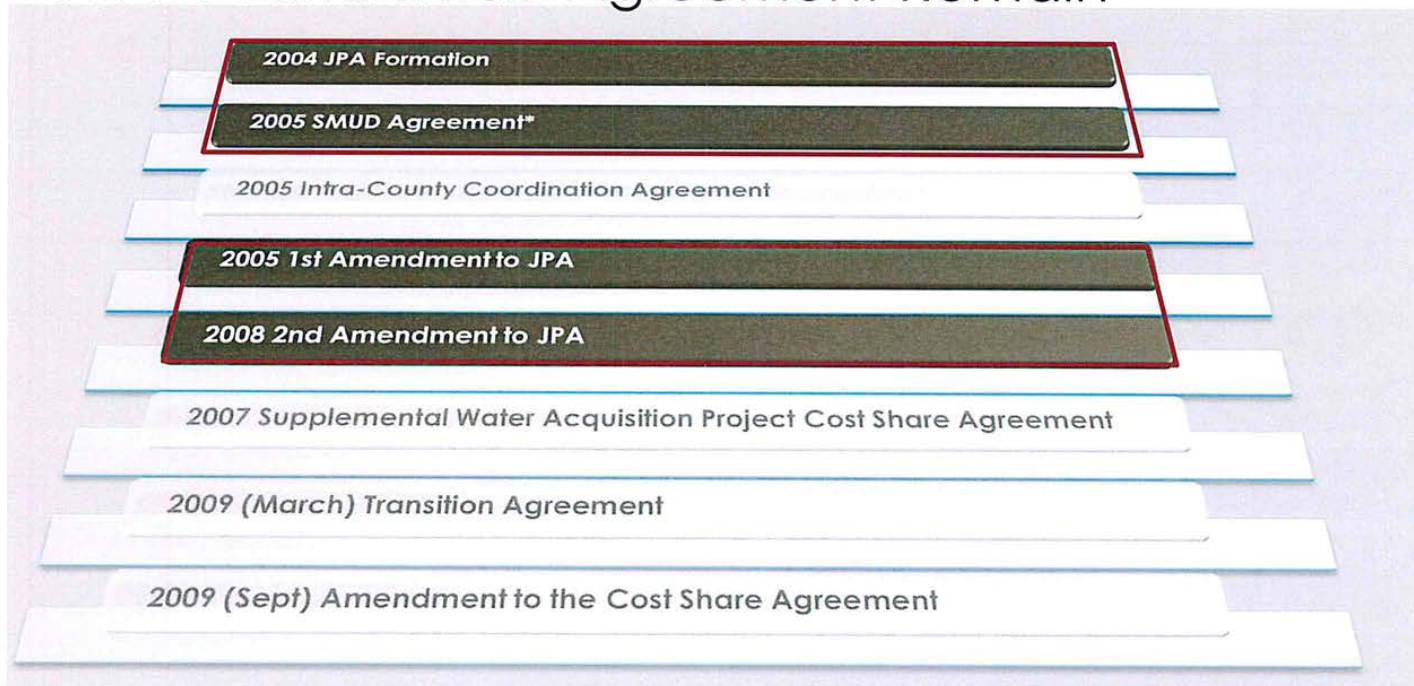
2009 (Sept) Amendment to the Cost Share Agreement

* Supersedes 1957, 1961 & 1993 Agreements

ICCA – Section 8, Condition Subsequent

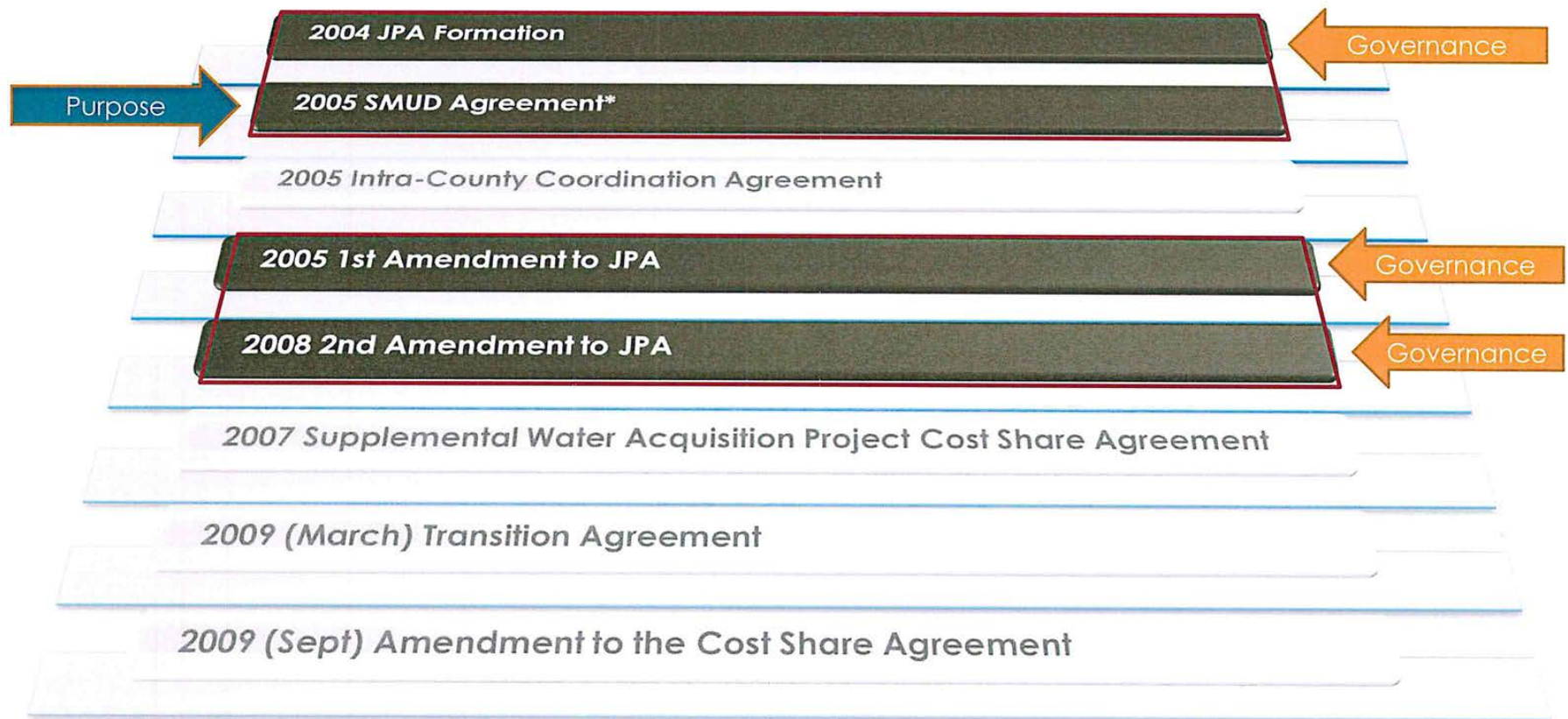
1. EDWPA's interpretation is that the ICCA is terminated by its own terms & No longer in effect
 - a) After 10 years, if water supply acquisition is not completed
 - i. Expired in 2015

2. IMPACT: JPA and SMUD Agreement Remain



ICCA – Section 8, Condition Subsequent

2. IMPACT: JPA and SMUD Agreement Remain



JPA Agreements

- **2004 JPA Formation**

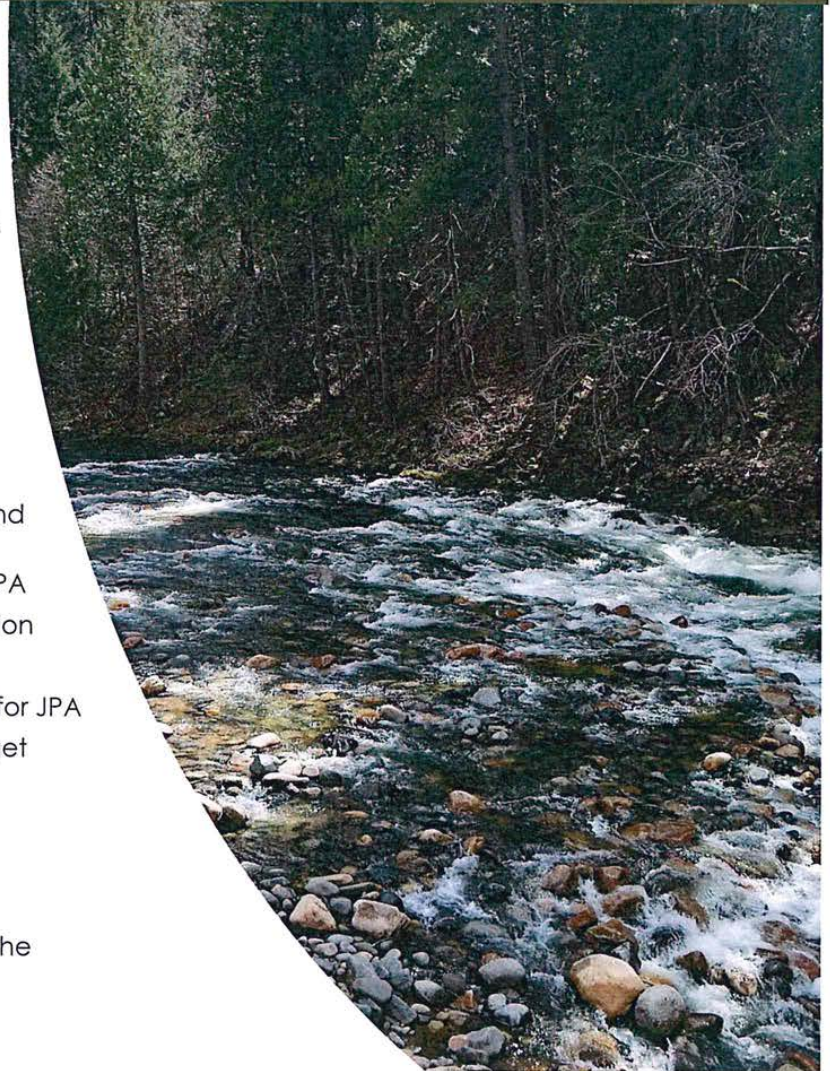
- EID, GDPUD, EDC & EDCWA
 - Requires affirmative votes of 8 necessary for action
 - Designates EDCWA GM as Executive Director & EDCWA to provide staffing for JPA
 - Establishes County Auditor as Finance Officer and Auditor for the JPA
 - Establishes a 3 year terms for the JPA
-

- **2005/2008 JPA Amendment**

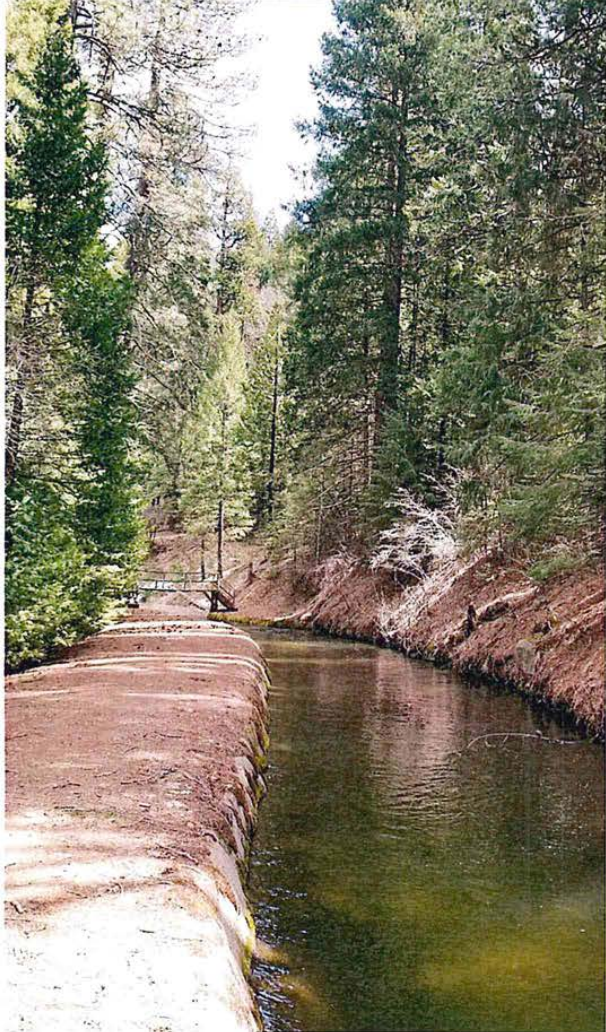
- 2005 First Amendment
 - Increased term as indefinite unless terminated as provided
 - Clarifies elements of JPA agreement
 - Established Power of Authority to file and prosecute applications and petitions to implement the Parties' rights in the UARP
 - Clarifies conditions for withdrawal from JPA and winding up of JPA
 - Requirement for affirmative votes of 6 necessary for budget adoption
- 2008 Second Amendment
 - Designated Executive Director of EDWPA as Treasurer and Auditor for JPA
 - Deletes requirement for a affirmative votes of 8 necessary for budget adoption

- **2009 (March) Transition Agreement**

- GDPUD, EDC, EID & EDCWA
- GDPUD withdraws and is released from rights and obligations of the Coordination & Costs Share Agreements
- GDPUD remains a party to the Cooperation Agreement



SMUD Agreement



2005 Nov 22 - "Cooperation Agreement"

- "SMUD Cooperation Agreement"
- Supersedes previous agreements
- Establishes "Designated Representative" of El Dorado
- EDWPA, EID, EDCWA, GDPUD & EDC approached SMUD
- Recognize the "imprecision" of the previous agreements
- SMUD's original FERC license for the UARP was due to expire in 2007
 - SMUD filed for renewal in 2005
 - Delineates Delivery & Storage by "El Dorado Parties"
 - EDC to pursue Surface Water Supply
 - City of Sacramento or
 - Payments to EDC
 - SMUD to pursue Iowa Hill Reservoir
 - Payment to EDC Parties for impacts

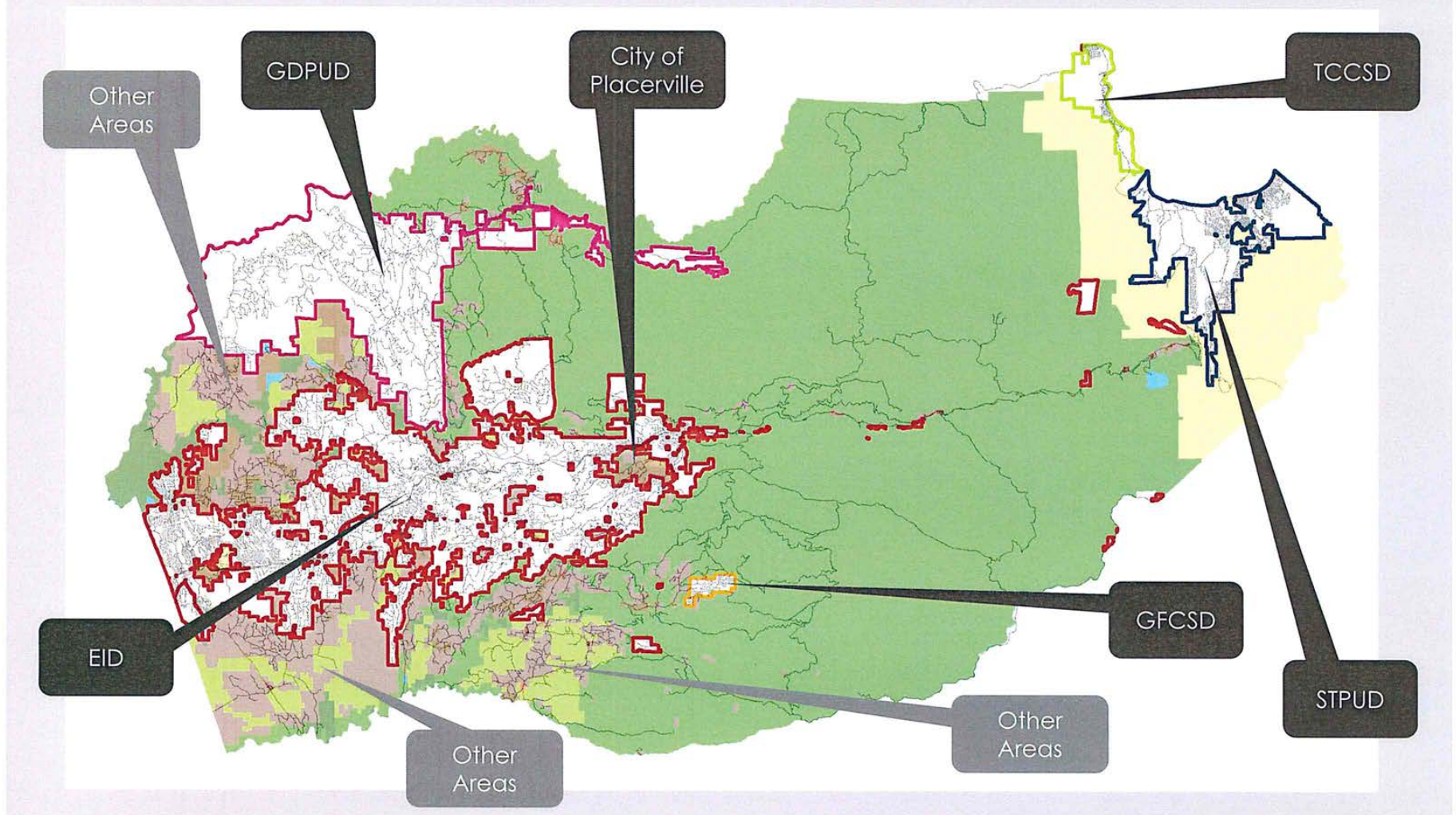
El Dorado Designated Representative: Responsibilities

19.1	El Dorado Designated Representative. The El Dorado Parties agreed that the El Dorado Designated Representative will be the “sole and exclusive Party” for the following purposes:
19.1.1.	Water Supply Acquisition. Process of acquiring the water rights and water supplies to be stored, and diverted through and from the UARP
19.1.2	Notices. Representative to provide and receive all notices.
19.1.3	Scheduling of Deliveries. Comply with all forecasting, scheduling and notice requirements for each El Dorado Party the quantity of water delivery being forecasted.
19.1.4	Notification of Interconnection Construction Agreement. Negotiations of the Interconnection Construction Agreement.
19.1.5	Construction, Maintenance and Operation of Interconnection Facilities. All matters related to the construction, maintenance and operations of the interconnection facilities.
19.1.6	Negotiation of and Communications under the Data Interchange Agreement . Negotiation of and communications under the DI Agreement.
19.1.7	Installation, Maintenance and Calibration of White Rock Meter. Installation, maintenance and calibration of the White Rock Meter.
19.1.8	Reporting of Deliveries - Reporting requirements.
19.1.9	Re-opening of this Agreement. Negotiations pursuant to a re-opener.
19.1.10	Resolution of Disputes under This Agreement. Any proceedings in order to resolve disputes

Background



EDC Land Use and Existing Water Purveyor Boundaries



El Dorado Water Reliability Project

Projections of supply and demand:

- Water Demands based on net-developable areas within the “Capacity of General Plan”
 - Agency-specific Urban Water Management Plans will be referenced for projected build-out demands
- Consider the State’s conservation goals and best management practices.
- Establish the initial comparison between supply and demand and define the Study baseline.

Impact analysis:

- Leverage recent investments
 - Analytical tools for local project operations in the upper American River Basin,
 - American River Basin Study (ARBS)
- Information on regional infrastructure capacity.
- Refined hydrology to be developed through the ARBS
 - Used to assess regional and agency-specific vulnerability to climate change
 - Used to assess the effectiveness of identified mitigation and adaptation strategies.

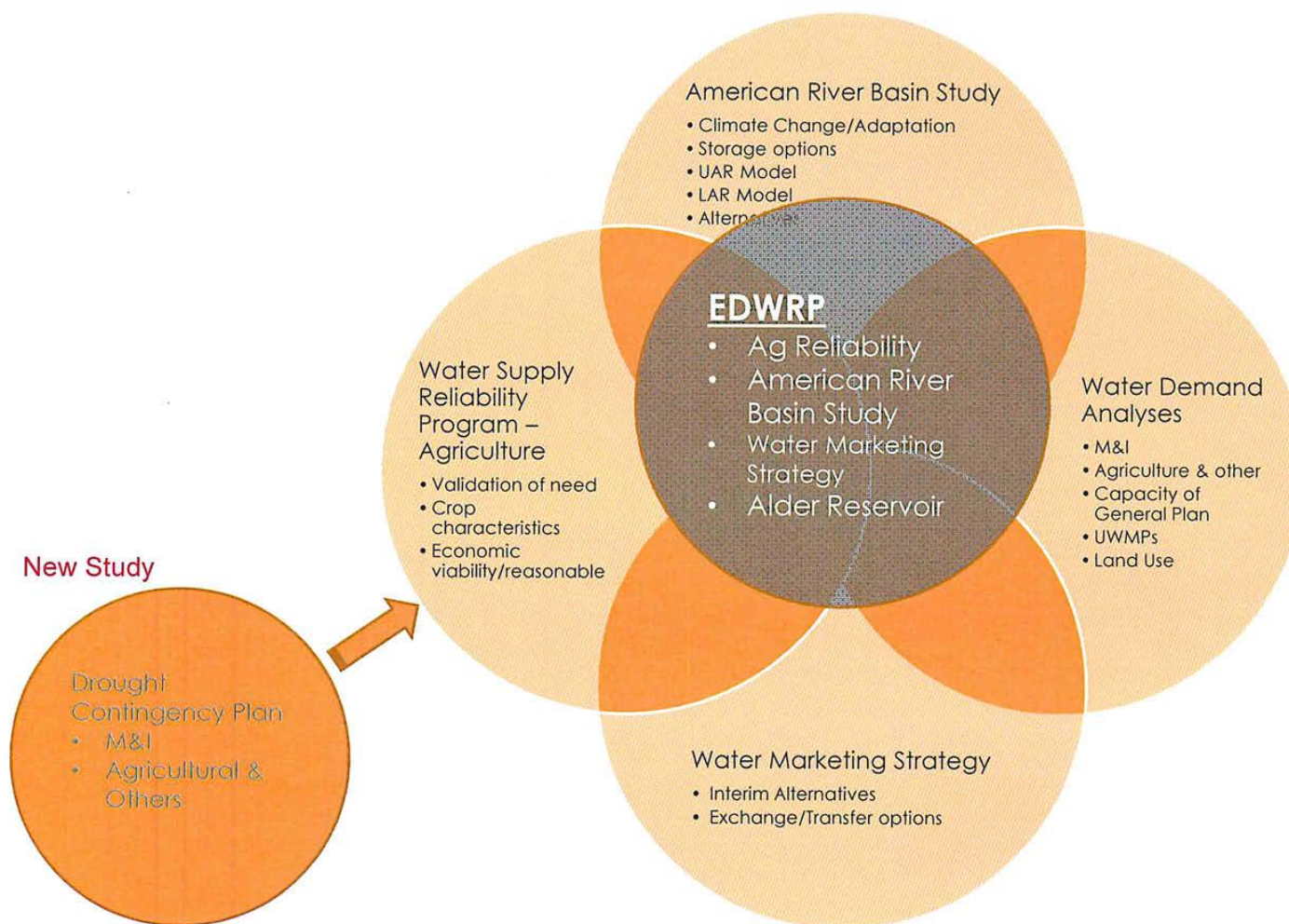
Trade-off analysis:

- Range of strategies will be identified, including structural improvements, operational improvements, and institutional / administrative improvements.
- Strategies
 - Formulated to address projected climate change impacts,
 - Improve regional self-reliance in water supply,
 - Align regional and federal water management strategies, and
 - Enhance the operational flexibility at for Folsom Dam.
- Evaluation criteria with stakeholder input and consistent with Federal planning guidance (effectiveness, efficiency, acceptability, and completeness).

Regional Management Planning (West Slope)

PROGRAM	AGENCIES	Conjunctive Use	Surface Storage	Water Rights	Drought	Flood
El Dorado Water Reliability Project	EDC, EDCWA & EID (MOU's w/Folsom & RELCWD)	X		X	X	
Fazio Water Supply Contract	EDCWA, EID & GDPUD			X	X	
Water Use Efficiency	EDCWA, EDC, EID, GDPUD & GFCSD			O	X	
Upstream Storage - Alder Creek	EDCWA / USBR / DWR / EID (Included element of American River Basin Study)		X	X	X	X
Regional Water Reliability/Drought Management Plans	RWA	X			X	
WaterSMART: American River Basin Study	CVP-ARD (EDCWA, EID, Folsom, PCWA, Roseville); SacCity; BOR	X	X		X	X
WaterSMART: Water Marketing Strategy	CVP-ARD (EDCWA, EID, Folsom, PCWA, SSWD); SacCity; BOR	X	X		X	X
WaterSMART: Drought Contingency Plan	EDCWA, EID, GDPUD; EDC, and Other EDC Agencies; BOR	X	X	O	X	X
RiverArc (Sacramento River Diversion Project)	PCWA/EDCWA/Roseville/RLECWWD/SacCity, et. al. (Included element of SWRP)	X		X	X	

EDWRP Benefits from Regional Studies



El Dorado Water Reliability Project

	UWMP	EDWRP	ARBS	Alder	Fazio	WMSP	WUE Study
Water Demand Analysis	2045	GP	GP	GP	2045	GP	GP
Climate Change Impacts	2045	GP		GP	2045	GP	GP
Upstream Storage - Alder Creek			GP			GP	GP
RWA: Regional Drought Contingency Plan	2045	GP	GP	GP	2045	GP	GP
WaterSMART: American River Basin Study		GP		GP		GP	GP
WaterSMART: Water Marketing Strategy		GP		GP		GP	GP
WaterSMART: Drought Contingency Plan	2045	GP					GP
Water Use Efficiency Planning - Ag	2045	GP	GP	GP	2045	GP	GP
Water Use Efficiency Planning – M&I	2045	GP	GP	GP	2045	GP	GP

EDWRP
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EDWRP
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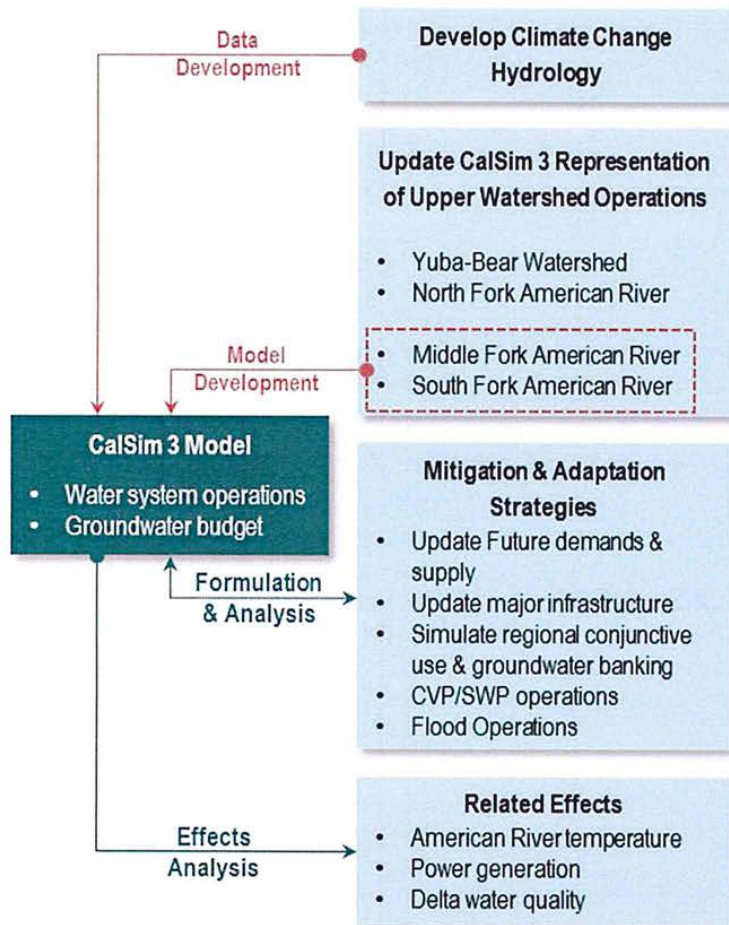
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WATER DEMAND PERSPECTIVES:

EDWRP and other long-term studies based on “Capacity of the General Plan”

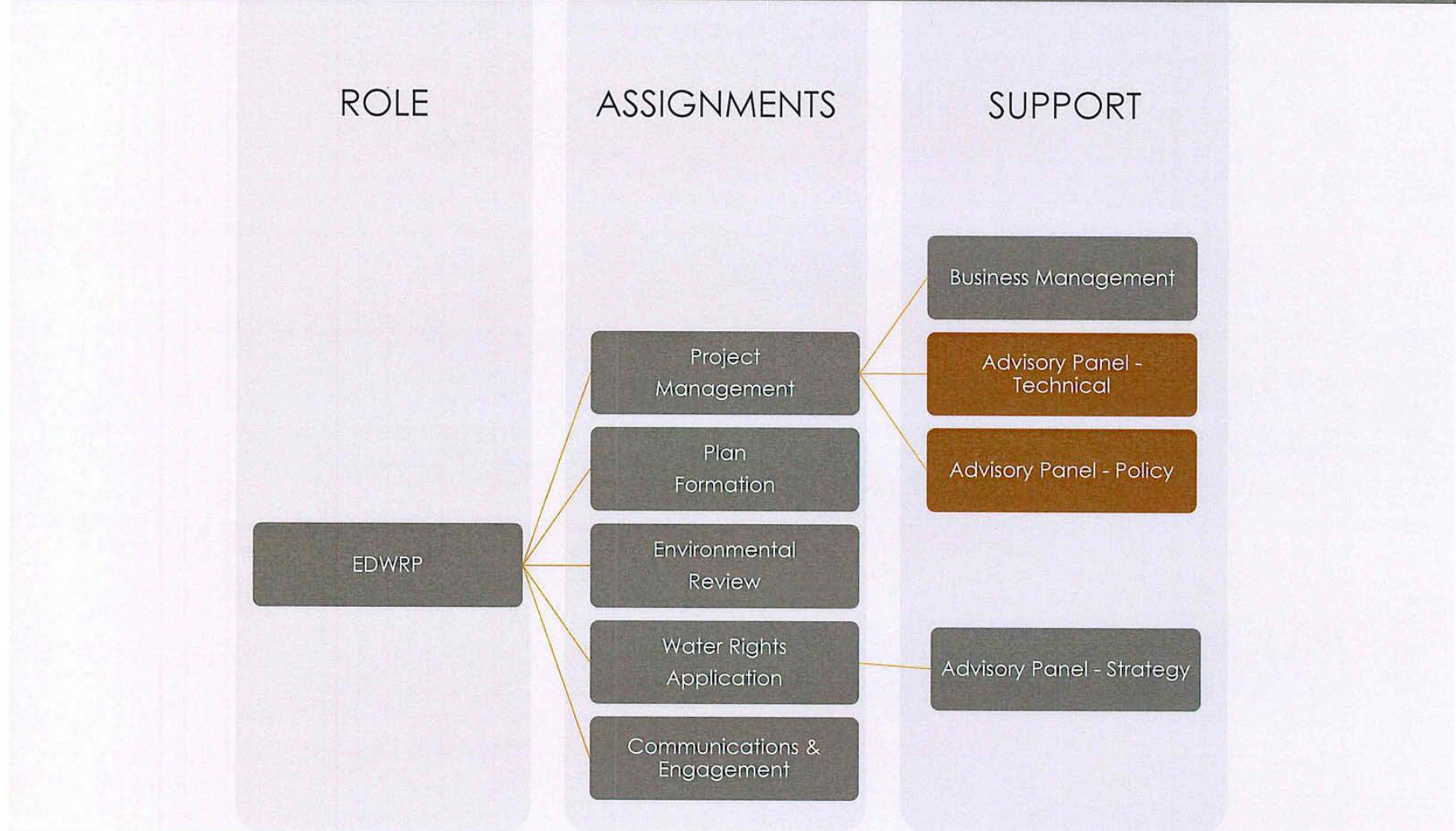
Integrate CVP/SWP and CalSIM 3 & Upstream Models



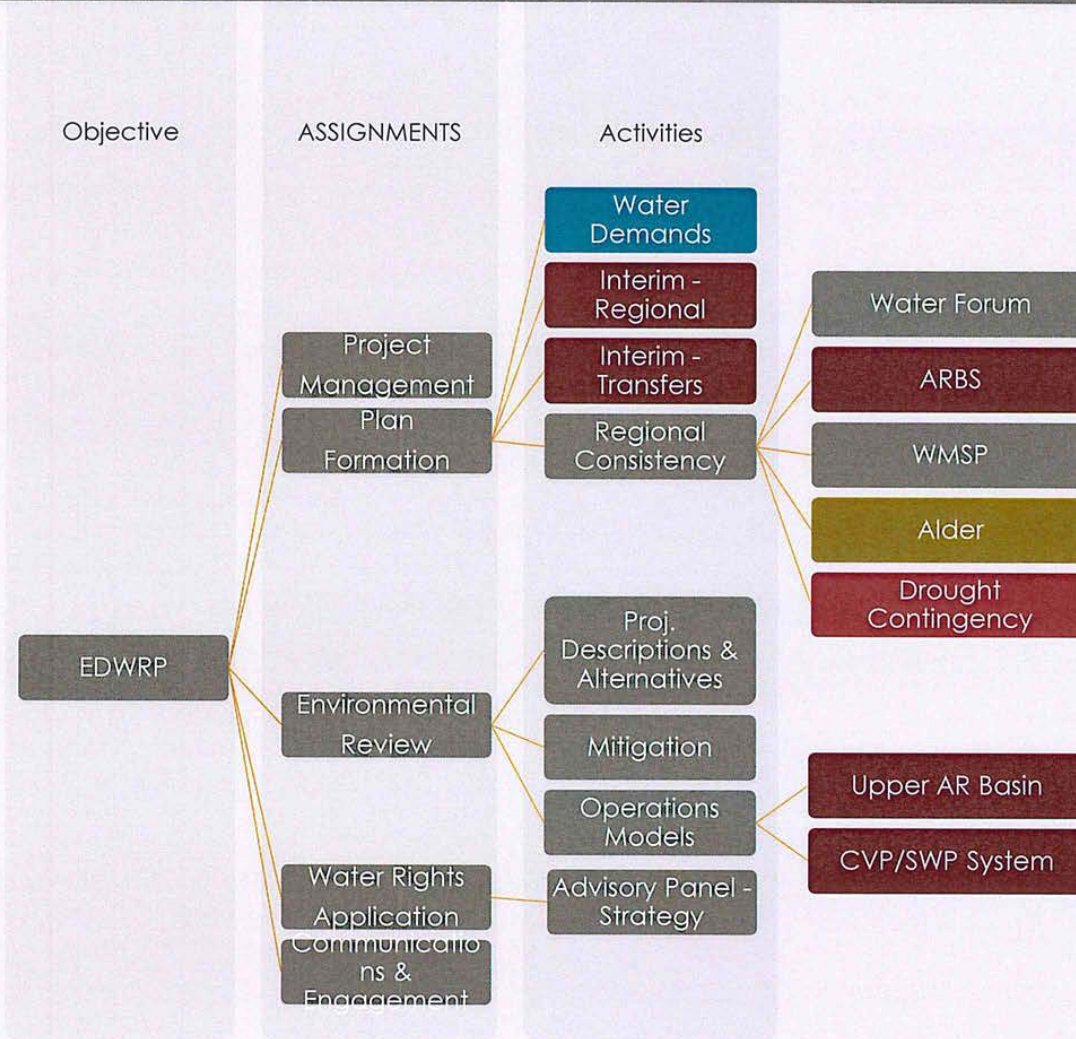
CalSim 3, developed by Reclamation and DWR, provides a state-of-the-art integrated platform for simulating regional and statewide water systems. It includes:

- A detailed representation of the water supply portfolio of individual water purveyors in the region.
- Representation of the upper watershed (with anticipated additional refinement by the ARBS).
- Capability for full integration with the existing groundwater model for the North and South American River groundwater subbasins

EDWRP Organization Structure is Generally Independent of Governance



EDWRP Relies on EDCWA Activities



Alternatives to Move Forward



Moving Forward with EDWPA

1. Water Rights Acquisition

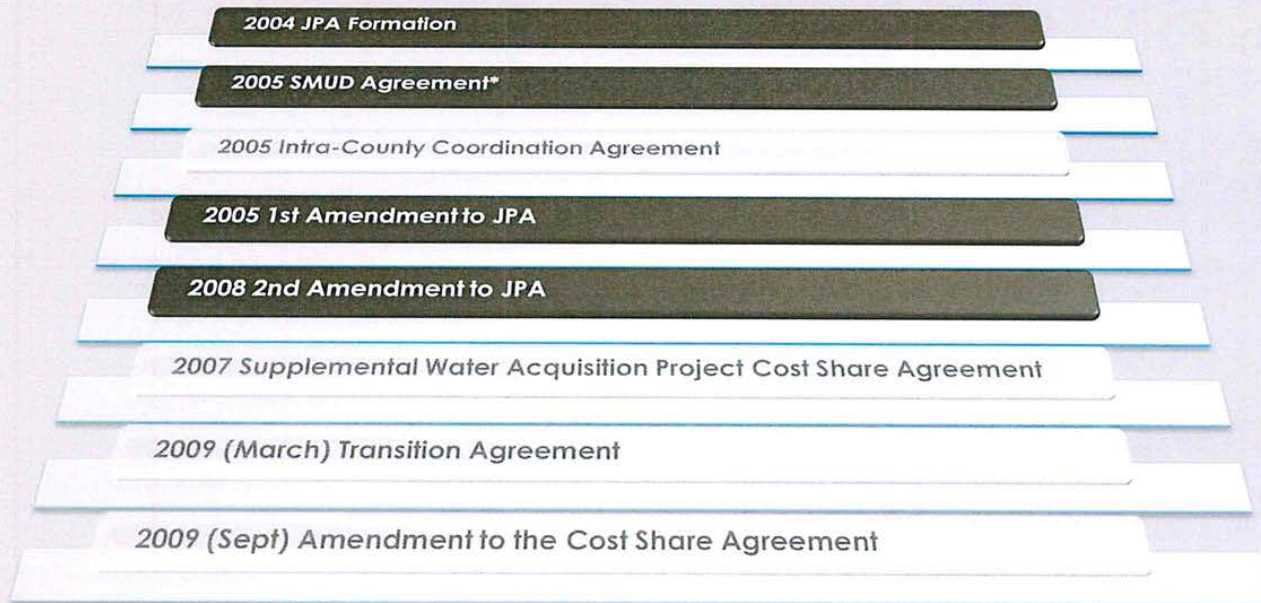
- a) ICCA is no longer the basis for proceeding
- b) SMUD Cooperation Agreement Remains Basis for EDWRP

2. Requires policy-based discussion

- a) Direction and Guidance to staff
 - 1) Dependent on foregoing governance
 - 2) Funding for EDWRP
 - Funding provided for the EDWRP beyond existing funds
 - No basis to for funding beyond FY2018-2019 and EDWPA's existing funds in possession

Uninterrupted Progress for FY2018-19

El Dorado Water Reliability Project continuing under the provisions of the SMUD Agreement





EL DORADO WATER RELIABILITY PROJECT

Water Right (Partial Assignment of Applications 5644 and 5645)



Regional Interests & Factors

	
ADVOCACY <ul style="list-style-type: none"> • Federal • State • Regional • Local 	LAR INTERESTS <ul style="list-style-type: none"> • WATER QUALITY • FLOW PATTERNS • Operations • WaterFix
<ul style="list-style-type: none"> • CONGRESS • D.O.I. • USBR • DWR • RWA/SGA 	<ul style="list-style-type: none"> • WATER FORUM • RWA • USBR • AG/EXPORTERS • DELTA

Local Interest First & Regional Integration

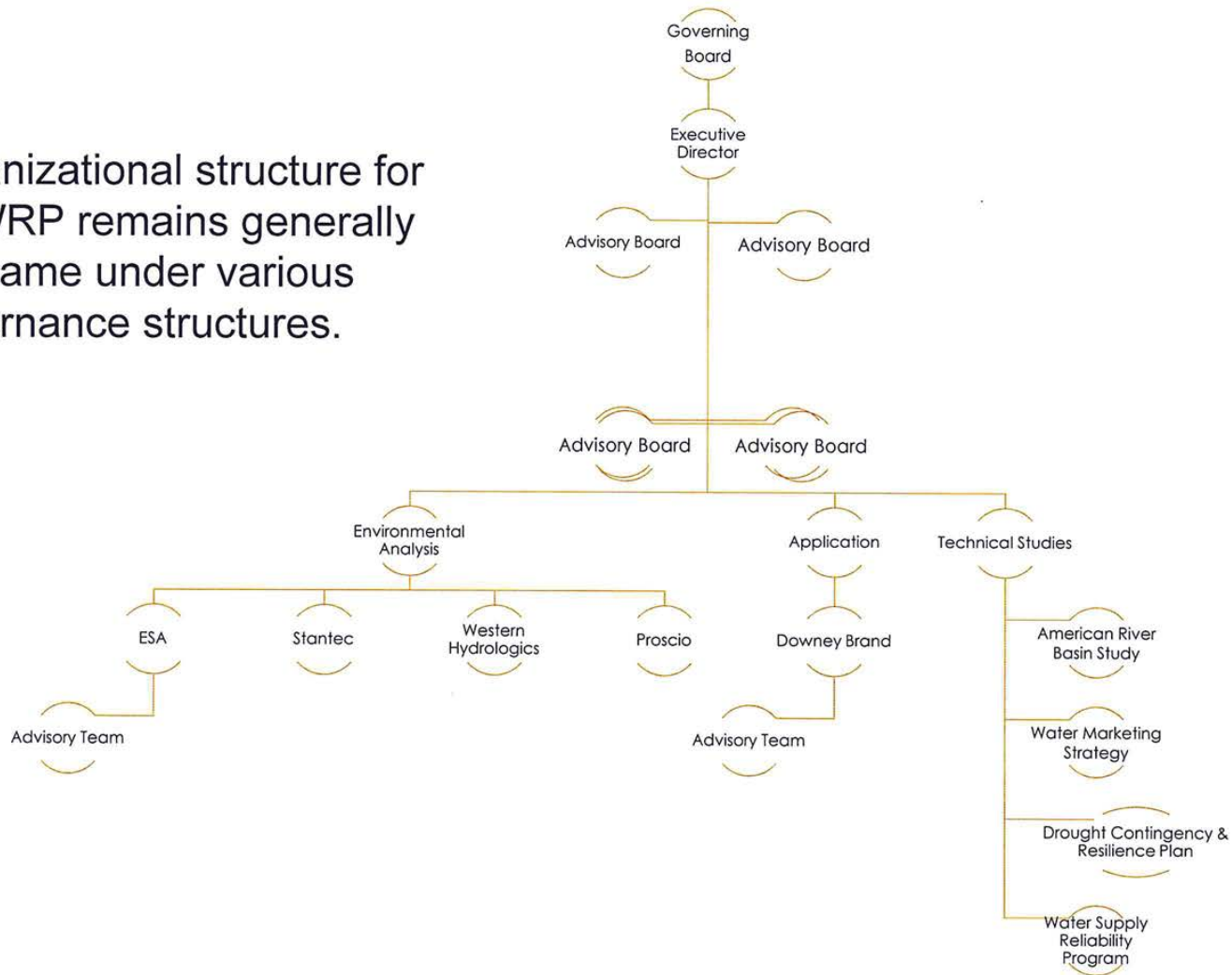
	
SMUD FACILITIES/MODELING <ul style="list-style-type: none"> • Allocate Benefits • Manage New Wholesale Facilities • Funding 	EDC/AG INTERESTS <ul style="list-style-type: none"> • RELIABILITY • LONG-TERM PLANNING • GENERAL PLAN OBLIGATION
<ul style="list-style-type: none"> • EID • SMUD • USBR • ARB Partners • Upstream Storage • Water use Efficiency 	<ul style="list-style-type: none"> • Water use Efficiency • Upstream Storage • Climate Adaptation

EDWRP Application Processes

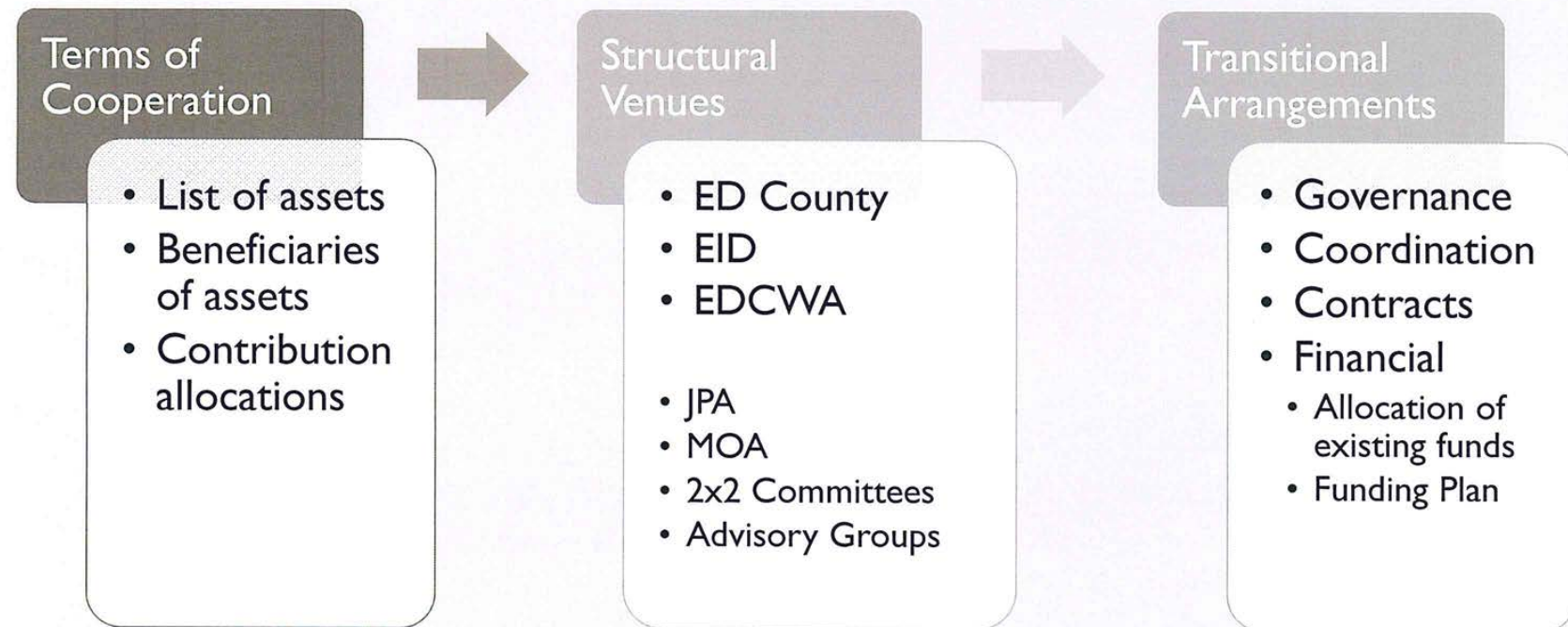
	
ENVIRONMENTAL <ul style="list-style-type: none"> • PROJECT DEVELOPMENT • IMPACT ANALYSIS 	APPLICATION HEARING
<ul style="list-style-type: none"> • Federal • State • Regional • Local 	<ul style="list-style-type: none"> • SWRCB

El Dorado Water Reliability Project Org. Structure

Organizational structure for EDWRP remains generally the same under various governance structures.



CONCEPTUAL PROCESS



HOW IS A EDWPA GOVERNED?

Joint Powers Authority

An independent, public entity that operates on behalf of its members.

Common structure to address focused, regional needs.

TERMS OF COOPERATION¹

Basic Principles for EDWRP amongst Participating Agencies ??

Equity

- Establish equitable system for benefits of assets. Based on:
 - Contributions
 - Water Demands
- Recognize existing service areas and OCAs

Authority w/in SMUD Agreement

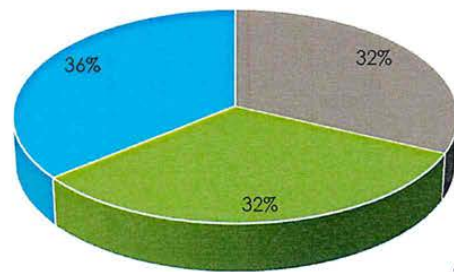
- Designated Representative
 - EDWPA (or EDCWA)
- Assignment of "Agents" for EDDR

Facilitate Progress

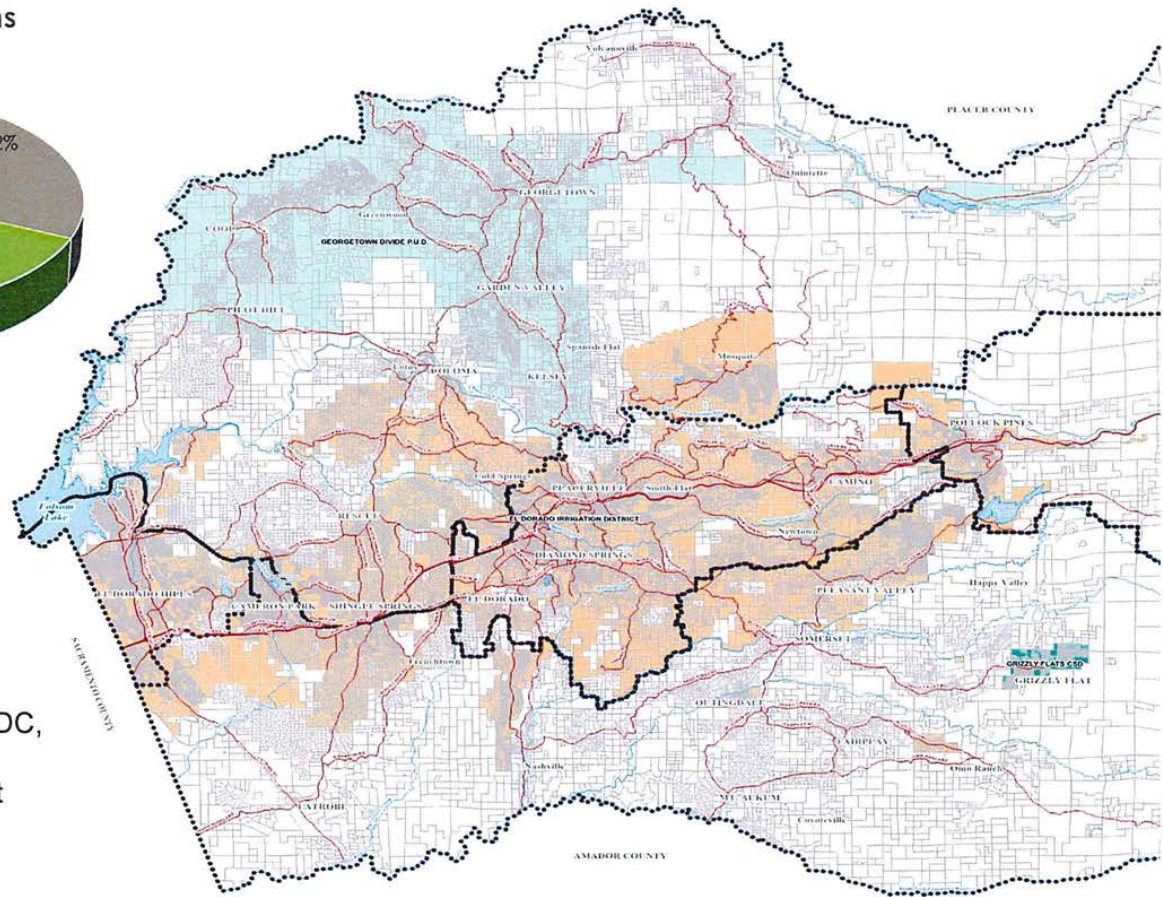
- Funding structure
- Voting structure
- Advisory Panels
 - Technical
 - Policy
 - Advocacy
 - Regional/County

Terms for EDWRP must be Equitable to Benefits (Long-term and Interim)

Allocation of Contributions for EDWRP



- EDCWA
- EDC
- EID



- Benefits match contributions
- Provisions for reimbursement of advancement of public funds to EDC, EID and/or EDCWA
- Consistent with SMUD Agreement

GOVERNANCE/STRUCTURE OPTIONS FOR EDWRP

Reformulate Joint Powers Authority

- Reaffirm EDWPA as EDDR
- Restructure existing Agreements
- Establish equitable system for benefits of assets

New Joint Powers Authority

- Reaffirm EDCWA (staff and counsel) as EDDR
- Restructure existing Agreements
- Establish equitable system for benefits of assets

Default to EDCWA

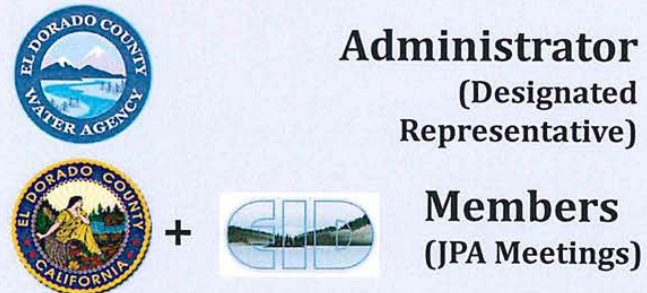
- Reaffirm EDCWA (staff and counsel) as EDDR
- Restructure existing Agreements
- Establish equitable system for benefits of assets

GOVERNANCE/STRUCTURE OPTIONS FOR EDWRP

Reformulate Existing JPA



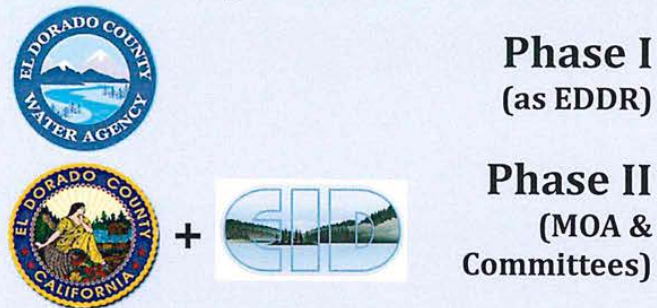
Establish NEW JPA



Dissolve JPA



Dissolve JPA



Structural Venue - Options

A. EDWPA (Reformulate, EDWPA as EDDR)

- EID, EDC & EDCWA JPA Continues
- EDWPA (staff and counsel) reaffirmed as the El Dorado Designated Representative (EDDR)
- Requires new basis for terms:
 - Cost Share Agreement - Contributions based on benefit
 - "Planning" Agreement for use of assets for countywide benefit based on GP demands
- EDCWA Planning Agreement
 - Coordination of integrated studies
 - Reimbursement Agreement for advancement of funds by EDCWA for pro-rated share of related/integrated planning

C. Dissolve EDWPA (EDCWA as DR)

- EID, EDC & EDCWA Memorandum of Agreement & 2x2 Meetings
 - Implement process to dissolve JPA and winding up of JPA affairs
- EDCWA (staff and counsel) reaffirmed as the El Dorado Designated Representative (EDDR)
- Established Power of Authority to file and prosecute applications and petitions to implement the Parties' rights in the UARP

Requires new basis for terms:

- Cost Share Agreement - Contributions based on benefit
 - "Planning" Agreement for use of assets for countywide benefit based on GP demands
- EDCWA Planning Agreement
 - Coordination of integrated studies
 - Reimbursement Agreement for advancement of funds by EDCWA for pro-rated share of related/integrated planning

E. Dissolve EDWPA (EDCWA becomes DR)

- Implement process to dissolve JPA and winding up of JPA
- Cease EDWRP

B. Establish NEW JPA (EDCWA as DR)

- Requires new basis for terms:
 - Cost Share Agreement - Contributions based on benefit
 - "Planning" Agreement for use of assets for countywide benefit based on GP demands
- EDCWA (staff and counsel) reaffirmed as the El Dorado Designated Representative (EDDR)
- EDCWA Planning Agreement
 - Coordination of integrated studies
 - Reimbursement Agreement for advancement of funds by EDCWA for pro-rated share of related/integrated planning

D. Dissolve EDWPA (EDCWA as DR)

- EID, EDC & EDCWA Memorandum of Agreement & Committees
- Project Developed Similar to other EDCWA Projects:
 - Policy, Strategy, Advisory, Technical Groups for Project and Application
 - Efforts are integrated with other County-wide studies (e.g., American River Basin Study, Water Marketing Strategy; Water Demand Updates; etc.)

EDCWA (staff and counsel) reaffirmed as the El Dorado Designated Representative (EDDR)

Requires new basis for terms:

- Cost Share Agreement - Contributions based on benefit
 - "Planning" Agreement for use of assets for countywide benefit based on GP demands
- EDCWA Planning Agreement
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 - Reimbursement Agreement for advancement of funds by EDCWA for pro-rated share of related/integrated planning

EL DORADO WATER RELIABILITY PROJECT

CEQA Process and EIR Timeline

