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## EID board approves new spending

The El Dorado Irrigation District Board of Directors authorized several projects at its Dec. 14 meeting — the final for the year.

Among the big-ticket items were a long list of FERC related projects including those for water temperature monitoring, water quality and noxious weed monitoring coming in at \$461,000.

The directors also approved \$65,000 to design and integrate software applications and databases used by the organization.

The last item approved was \$63,500 for a power mitigation project. The money will be used to hire a consultant to analyze the feasibility of solar projects at Deer Creek and the El Dorado Hills Wastewater Treatment Plant. Previously the board voted to put additional money into the Capital Improvement Plan budget for power mitigation projects due to an expected jump in the cost of electricity.

The board also approved purchasing two new utility vehicles, awarded a five-year, \$1.36 million contract for sludge hauling and disposal services and a \$127,230 contract for the design of the Wastewater SCADA System Reliability Project.

### **Redistricting proposal**

A change to the agency's redistricting policy also gained the board's approval.

Currently EID is required to re-evaluate director division boundaries every five years to ensure its ratepayer population is equally distributed among all five districts.

General Counsel Tom Cumpston explained that EID relies on census data to make that evaluation but with the census done every 10 years, it makes five-year redistricting efforts difficult because there's no reliable source of population data. Instead Cumpston recommended changing the policy to align with state law, which only requires redistricting after each decennial census.

At the same time, Cumpston warned of a case currently before the U.S. Supreme Court that challenges the way states draw legislative lines, which could further complicate the issue.

In *Evenwel v. Abbott*, the justices will rule whether the principle of "one-person, one-vote" refers to total population or voter population in establishing legislative districts. Depending on the outcome of the court's decision, Cumpston said it could make it harder to draw up equitable legislative districts as well as boundaries for EID's directors because of the difficulty in getting reliable voter data.

### **Performance review**

The meeting then moved on to a presentation by General Manager Jim Abercrombie who reviewed key performance indicators and goals for the year.

He said an employee survey resulted in 89 percent of them saying they are either very satisfied or satisfied. Customers are also generally happy with the district with 91 percent of them satisfied overall. However only 65 percent think water rates are reasonable and only 47 percent think wastewater rates are reasonable.

At the same time, the report noted that EID water and wastewater rates continue to be below the median price of similar water agencies.

Citing some of EID's successes during 2015, Abercrombie said staff secured a five-year contract for 8,500 acre-feet of water from the Bureau of Reclamation and work proceeds on completing improvements to the Main Ditch, Sly Park Intertie and Forebay Dam. Staff is continuing to work on changing the permit

for recycled water discharges into Deer Creek which would free up more recycled water for customers. They also completed the transfer of 2,800 acre-feet of water which generated \$2.2 million for the district and established a template for future water transfers.

Abercrombie also noted that EID implemented the Public Employees' Pension Reform Act in 2015, resulting in savings of \$700,000 annually. And while the number of staff has been reduced from 305 in 2007 to 217 in 2015, the budget has grown less than \$1 million in nine years as it has gone from \$45.62 million in 2007 to only \$46.5 million in 2016.

Abercrombie said the district continues to replace and upgrade aging infrastructure and was successful in obtaining a \$1 million grant for the Main Ditch Piping Project. Debt has been paid down by \$30 million since 2012 and there are plans to pay down another \$56 million between 2015-19.

Last, despite the drought and one of the highest conservation targets in the state, the district and its customers managed to exceed the mandated goal for conserving water.

### **FCC charges questioned**

The board also heard a detailed staff presentation in response to a handout from Director Greg Prada at the Nov. 9 board meeting regarding proposed rate increases and FCC charges.

Prada alleged that ratepayers would be on the hook for a proposed \$49 million water bond instead of FCCs (Facility Capacity Charges) paying for it. As a remedy he wanted the cost of FCCs increased, verification that past debt costs for new development were included in FCC charges and removal of new development debt service from the proposed rate increases.

During the presentation, staff discussed how the current FCC charges are determined, adding that FCCs were last updated in August, 2013.

Currently FCC charges are \$30,440 for a potable water connection (including wastewater) and \$27,379 for dual plumbed homes (including wastewater). In addition there is a minor environmental regulatory supplemental surcharge of \$788.

Staff explained that the costs for the expansion of assets to serve new developments are included in the FCCs while the costs associated with replacing assets that benefit existing customers are covered through rates.

The proposed 2016 water bond issue Prada referred to will be used to pay or \$10 million in Forebay Dam upgrades; \$6.1 million for flume replacements; and \$3.3 million for repairs to the Esmeralda Tunnel.

Those costs will be included in the FCCs.

Based on that assessment, staff concluded that the current FCC rate doesn't need to be increased because it already includes remediation of Forebay Dam and flume replacement projects.

### **New officers and conservation**

The board also voted to stay with its existing officers although the vote was split on a vice president. Director Bill George was unanimously reelected president. Director George Osborne was retained as Vice President on a 3-2 vote with Directors George, Osborne and Dale Coco voting for and Prada and Alan Day voting no.

Staff also reported water conservation is back up again. For the month of November it was 40 percent for potable water and 56 percent for recycled water. Lake levels as of Dec. 2 were 63 percent for Jenkinson Lake; 62 percent for Caples Lake; and 14 percent for Folsom Lake.