



Upper Mokelumne River Watershed Authority

UMRWA Regular Governing Board Meeting

Agenda

Friday, July 28, 2017 – 1:30 p.m.
McLean Hall, Pardee Center, Valley Springs, CA 95252

ROLL CALL

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT: When responding to items not on the agenda, Board members are limited by state law to providing a brief response, asking clarifying questions, and referring a matter to staff.

AUTHORITY BUSINESS:

Recommended Action

- | | |
|--|------------------------|
| 1. Regular Meeting Minutes of April 28, 2017 | Approve by Motion |
| 2. Pumpkin Hollow Restoration Project | Approve by Motion |
| 3. Update on AB 142 Wild & Scenic Study | Possible Action |
| 4. UMRWA Fiscal Year 2018 Budget | Approve by Motion |
| 5. CSRC&D Youth Watershed Stewardship Program 2018 Agreement | Approve by Motion |
| 6. Update on Prop 84 Implementation Grants | Approve by Motion |
| 7. Board Planning Session | Approve by Motion |
| 8. Legislative Issues Update | Possible Action |
| 9. UMRWA Policies including Conflict-of-Interest Code | Approve by Motion |
| 10. Treasurer's Report - Third Quarter FY 2017 | Accept for Filing |
| 11. Executive Officer Grant Funded Quarterly Report | Information/Discussion |

BOARD MEMBER COMMENTS:

12. Board Member Comments

EXECUTIVE OFFICER REPORT:

13. Executive Officer's Oral Report (e.g. Mokelumne Community Forest, Mattley Meadow)

ADJOURNMENT:

- Special Board Meeting Planning Session: October 5, 2017 at 2:00 p.m. (Pardee Center)
- Next Regular Board Meeting: October 6, 2017 at 10:00 a.m. (Pardee Lodge, Pardee Center)
- Next Board Advisory Committee Conference Call Meeting: Cancelled
- Pardee BBQ: October 6, 2017 at 11:30 a.m.

Requests for disability-related modification or accommodation, including auxiliary aids or services, may be made to Lisa Stuart at 209.772.8261 or lisa.stuart@ebmud.com no later than 24 hours before the meeting.



Upper Mokelumne River Watershed Authority

Agenda No: **1**

Meeting Date: July 28, 2017

Title:

Regular Meeting Minutes of April 28, 2017

Recommended Action:

Approve the regular meeting minutes of April 28, 2017.

Summary:

The summary minutes of the April 28, 2017 regular Governing Board meeting are attached for Board review and approval.

Summary Minutes

ROLL CALL

Directors John Coleman, Terry Woodrow, Richard Farrington, Brian Oneto, Jeff Davidson, Jack Garamendi, Donna Leatherman, and Ed Gonzalez were present. Also present were Executive Officer Rob Alcott, Authority Counsel Gregory Gillott, Authority Secretary Lisa Stuart, and 15 visitors and presenters.

PUBLIC COMMENT – Joe Bors gave a brief update to the Board regarding the Amador Tuolumne Community Action Agency’s (ATCAA) recently funded residential water conservation program.

AUTHORITY BUSINESS

1. Regular Meeting Minutes of January 27, 2017

Motion 05-17 to approve the minutes of the regular January 27, 2017 Governing Board meeting was made by Director Davidson, seconded by Director Farrington, and carried by voice vote: Yea 8 – Nay 0 – Abstain 0.

2. CSRC&D Youth Watershed Stewardship Program

UMRWA has provided funding to support the local public schools Youth Watershed Stewardship Program (YWSP) since fiscal year 2006. When the Board approved the FY2017 agreement with CSRC&D this past October to implement this program for another year the Board questioned whether a forest management component was included in the program’s teachings. Maryanne Garamendi, invited to discuss the YWSP curriculum with the Board, presented information about the Stewardship Through Education (STE) teacher organization, an outline of some of its curriculum, and heard the Board’s interests in seeing the program specifically include forest management and healthy forest components in the curriculum. Directors Farrington and Oneto offered to meet and provide additional insights regarding the Board’s interests and potential sources for related resource information.

3. UMRWA Procurement Policy and Procedure

On October 6, 2016, the Board directed staff to formulate an UMRWA procurement policy and procedure. A draft Procurement Policy and Procedure was reviewed at the January 27 Board meeting following which the Board requested staff to present a final Procurement Policy and Procedure for approval at the April 28 meeting. The UMRWA JPA agreement specifies the Authority will exercise powers “as are imposed upon a municipal utility district in the exercise of its powers.” Thus, the proposed UMRWA Procurement Policy and Procedure developed with the assistance and advice of EBMUD purchasing staff is generally consistent with related policies and procedures applicable to municipal utility districts in California, including EBMUD.

The proposed Procurement Policy and Procedure includes changes discussed at the January 27 Board meeting and several new additions summarized here:

1. Added section defining three types/levels of procurement.
2. Added provisions for procuring Materials and Supplies, and Sole Source purchases.
3. Delineated five categories of criteria that will generally be applied when evaluating proposals.
4. Added section that identifies prohibited actions.

The Procurement Policy and Procedure will guide procurements associated with the Pumpkin Hollow Restoration work and future Authority procurements. The EO recommended that the Board approve the UMRWA Procurement Policy and Procedure.

Motion 06-17 to approve the UMRWA Procurement Policy and Procedure as presented was made by Director Davidson, seconded by Director Farrington, and carried by voice vote: Yea 8 – Nay 0 – Abstain 0.

4. Pumpkin Hollow Restoration Project

Over the past twelve months UMRWA has systematically completed a series of requisite tasks that has positioned the Authority to initiate the Pumpkin Hollow restoration work plan, which requires the solicitation of proposals from qualified contractors to complete the Pumpkin Hollow Restoration Project.

The Pumpkin Hollow work plan anticipates project tasks will be completed over a two-year period. In 2017 the work is organized into four units, one to be completed by the California Conservation Corps (CCC) and three to be completed by contractors selected following a Requests for Proposals (RFPs) process.

The EO recommended that the Board authorize the release of Requests for Proposals for the general services work described and authorized in the Pumpkin Hollow Restoration Project SPA (Specific Project Agreement) and the Sierra Nevada Conservancy Prop 1 grant agreement.

Motion 07-17 to authorize the release of Requests for Proposals for the general services work described and authorized in the Pumpkin Hollow Restoration Project SPA (Specific Project Agreement) and the Sierra Nevada Conservancy Prop 1 grant agreement was made by Director Davidson, seconded by Director Gonzalez, and carried by voice vote: Yea 8 – Nay 0 – Abstain 0.

5. Legislative Issues Update and SNC Legislative Tour

Directors Oneto and Director Farrington discussed timber and water conservation bills, respectively. Richard Sykes provided brief updates on proposed legislation dealing with environmental water flows, expansion of Wild & Scenic criteria, and conservation.

As requested by the Board, the EO has been in communication with SNC staff regarding the planned legislative tour that will focus on the rural – urban connection and relevant resource management actions in the Sierras. Following a March 14 discussion with the UMRWA Board Advisory Committee, UMRWA staff proposed to SNC that UMRWA would consider co-supporting the legislative tour equally sharing the costs with SNC up to a maximum \$2,000 UMRWA share. The current year UMRWA budget can accommodate this unanticipated expense.

The SNC has solicited UMRWA's tour suggestions and the following topics were submitted for SNC's consideration: Butte Fire sites (wildland-urban interface); Blue Lakes

Subdivision (powder beetle impacts); CHIPS (Calaveras Healthy Impact Product Solutions); new grant-funded West Point WTP and transmission facilities; and lunch stop briefing by the Amador Calaveras Consensus Group (ACCG).

Per the Board's prior request, SNC agreed the tour would not be held until after the May ACWA conference. Presently, the dates of July 26 and 27 are being considered.

Motion 08-17 to authorize payment of up to \$2,000 toward the costs of the Sierra Nevada Conservancy 2017 Sierra Legislative Tour that will focus on Upper Mokelumne region issues was made by Director Oneto, seconded by Director Leatherman, and carried by voice vote: Yea 8 – Nay 0 – Abstain 0.

6. Update on Prop 84 Implementation Grants

The EO presented the status of Calaveras County's efforts to fulfill the terms of its Round 2 Implementation Grant for the Ponderosa Way Project. He also gave brief updates on fulfillment of the two ongoing UMRWA Proposition 84 Implementation Grants awarded by the Department of Water Resources; the 2014 Drought Grant and the Round 2 Implementation Grant.

Motion 09-17 to authorize the Executive Officer to sign an amendment to the Round 2 grant agreement to modify the grant budget to reallocate \$74,490 in surplus unspent Ponderosa Way Restoration Project funds to the Camanche Area Regional Water Supply Project was made by Director Farrington, seconded by Director Leatherman, and carried by voice vote: Yea 8 – Nay 0 – Abstain 0.

7. Draft Proposed Fiscal Year 2018 UMRWA Budget

The EO presented the Board with a draft FY 2018 budget, in which the member-funded portion of the proposed budget is \$154,500 less than the prior year (\$147,000 versus \$301,500). He also presented an estimate of the Member Agency funding allocations, including estimates of in-kind services provided this fiscal year and estimates of the resulting Member Agency funding allocations and the associated assessment amounts.

For the non-member funded portions of the budget, the funding associated with Prop 84, Sierra Nevada Conservancy and USFS sources for FY 2018 will be determined in September, the final month of UMRWA's fiscal year. Awarded but uncollected funds will be carried forward to FY 2018. Those amounts will be determined based on the end of fiscal year Treasurer's Report as of September 30, 2017. As is the case each fiscal year no Member Agency funding is budgeted to support these non-Member funded activities in FY 2018.

The EO recommended that the Board endorse the draft FY 2018 UMRWA budget and authorize staff to transmit the draft budget to Member Agencies for review and comment.

Motion 10-17 to endorse the draft FY 2018 UMRWA budget and authorize staff to transmit the draft budget to Member Agencies for review and comment was made by Director Oneto, seconded by Director Leatherman, and carried by voice vote: Yea 8 – Nay 0 – Abstain 0.

8. Basic Financial Statements for the Year Ending September 30, 2016

The EO recommended the Board accept for filing the *Basic Financial Statements for the Years Ending September 30, 2016 and September 30, 2015*. East Bay Municipal Utility District, whose Finance Director serves as the Authority's Treasurer, maintains the Authority's financial records. The Authority's financial records for the year ending September 30, 2016 have been audited by the independent accounting firm Maze and Associates. This year's audit is presented in the document entitled *Upper Mokelumne River Watershed Authority Basic Financial Statements for the Years Ending September 30, 2016 and September 30, 2015*. In addition to the Basic Financial Statements, Maze and Associates has prepared a companion document titled *Memorandum on Internal Controls and Required Communications*. These documents present a general overview of the Authority's finances, demonstrate the Authority's accountability of the monies it manages, and provide general information related to the preparation of the audit for the Authority's Governing Board and management. The audit reports neither find nor describe any financial problems or irregularities.

Motion 11-17 to accept financial statement for filing was made by Director Davidson, seconded by Director Farrington, and carried by voice vote: Yea 8 – Nay 0 – Abstain 0.

9. Treasurer's Report - Second Quarter FY 2017

The Treasurer's Report for the second quarter of Fiscal Year 2017, which ended March 31, 2017, was presented to the Board.

Motion 12-17 to accept the Treasurer's Report for filing was made by Director Farrington, seconded by Director Davidson, and carried by voice vote: Yea 8 – Nay 0 – Abstain 0.

10. Executive Officer Grant Funded Quarterly Report

The EO presented the quarterly report.

Board Member Comments: None

Executive Officer Comments: The EO gave a quick update on AB142 – the Wild and Scenic study has not started – and the Mattley Meadow Project – per email from Plumas Corp, they are interested in pursuing the Regional Water Quality Control Board to serve as the lead agency on that project. The EO also advised that an agenda item with details for the proposed Board planning session will be included on the July 28 Board agenda.

ADJOURNMENT: Director Coleman adjourned the meeting at 3:20 p.m. The next meeting will be July 28, 2017 at 1:30 p.m. at Pardee Center.

SUBMITTED BY:

Lisa Stuart, Authority Secretary

John Coleman, Chair of the Board

APPROVED: July 28, 2017



Upper Mokelumne River Watershed Authority

Agenda No: **2**

Meeting Date: July 28, 2017

Title:

Pumpkin Hollow Restoration Project

Recommended Actions:

- (1) Authorize the Executive Officer to sign Modified Supplemental Project Agreement (SPA)
- (2) Approve and authorize the Executive Officer to sign four General Service Agreements:

Project	Firm	Amount
(a) Plantation Thinning and Mastication (RFP 17-01)	Tree Services Unlimited	\$272,460
(b) Road Maintenance and Roadside Fuel Break (RFP 17-02)	J&R Logging	\$TBD
(c) Hand Treatments (RFP 17-03)	Summitt Forests Inc.	\$130,183
(d) Scenic Corridor Hand Treatments	San Joaquin County Office of Education, DBA Greater Valley Conservation Corps	\$66,000

Summary:

As provided under the Pumpkin Hollow Supplemental Project Agreement and the Sierra Nevada Conservancy Prop 1 grant agreement, UMRWA will undertake forest improvement work within the Pumpkin Hollow project area within the Stanislaus National Forest. The work, organized into four units, will be contracted out to three contractors and the Greater Valley Conservation Corp. A request-for-proposals process was administered by the Authority for the work to be performed by the contractors. Seven proposals were submitted and reviewed by the Authority Selection Committee. Agreements with the three best-qualified providers are recommended for approval, as is the agreement with the GVCC. Also recommended today is authorization for the Executive Office to execute a modification to the Pumpkin Hollow Restoration Project Supplemental Project Agreement (SPA). While the SPA contains sufficient total funding to perform the recommended work minor modifications are appropriate to conform the SPA budget to actual project costs.

Discussion:

By June 5th RFPs were issued to eighteen firms for three separate Stanislaus National Forest work projects. The three RFP scopes of work and related project specifications, and the potential proposers list were prepared jointly with USFS staff. A pre-proposal meeting to address questions by potential proposers was held at the Calaveras Ranger District office on June 27. Seven proposals were received by the July 5 deadline. The Authority

selection committee, including a USFS representative, met on July 7 to perform a comprehensive review of the proposals based on the criteria described in the RFPs. The three proposers deemed by the committee to be the best-qualified contractors are recommended for hire. The tables below show the three work projects and the associated proposers, their business locations, and their submitted costs. The recommended contractors are noted with an asterisk.

Plantation Thinning and Mastication (RFP 17-01):

Contractor	Location	Cost
Tree Service Unlimited*	Placerville	\$272,460
Smith Grinding	Mokelumne Hill	\$637,174

Road Maintenance and Roadside Fuel Break (RFP 17-02):

Contractor	Location	Cost
J&R Logging*	Plymouth	\$135,192
James R. Dambacher Construction	Sonora	\$187,305

Hand Treatment (RFP 17-03):

Contractor	Location	Cost
Sierra Nevada Forestry LLC	Yuba City	\$184,915
GTS Forestry Inc.	Sacramento	\$209,805
Summitt Forests Inc.*	Ashland, OR	\$130,183

A field inspection of the 9.25 miles of USFS roads to be maintained under the Road Maintenance and Roadside Fuel Break (RFP 17-02) project revealed that the heavy winter weather has further damaged the roads and related drainage elements. UMRWA and the USFS have worked to revise the work plans and specifications to account for this additional required work. The revised plans are being reviewed with the recommended contractor, J&R Logging, and a revised mutually agreeable cost for the expanded scope of work will be reported at the Board meeting.

Supplemental Project Agreement Modification:

A total of \$614,665 is presently budgeted in the Supplemental Project Agreement for Pumpkin Hollow work. These USFS dollars, in combination with UMRWA's Sierra Nevada Conservancy's Prop 1 Healthy Watersheds grant, are the funding sources that UMRWA will rely to pay the costs associated with these recommended work agreements. As the final project costs are determined, it is anticipated the SPA will need to be updated to reflect these final costs. [The Board may recall when approving the initial SPA in July 2016 we expected a series of SPA editions over time in order to reflect agreed upon changes that respond to changed forest conditions within the project area or other new information.] The anticipated SPA changes will be presented at the Board meeting.

NOTE: Copies of the four General Services Agreements noted above are included in the Supplemental July 28, 2017 Agenda Materials Packet (provided separately).



Upper Mokelumne River Watershed Authority

Agenda No: **3**

Meeting Date: July 28, 2017

Title:

Update on AB 142 Wild & Scenic Study

Recommended Actions:

For information and discussion

Summary:

Mr. Joey Wall, Policy Advisor at the California Natural Resources Agency (CNRA) is scheduled to attend this Board meeting. Mr. Wall is CNRA's lead staff person for administering the Mokelumne River Wild and Scenic study called for by AB 142 (Bigelow). This study will yield a report analyzing the suitability or unsuitability of designated segments of the Mokelumne River as additions to the State's Wild and Scenic River System. The Upper Mokelumne River Watershed Authority, as specified in AB 142, has entered into a cost-sharing agreement with CNRA for the report.

CNRA has contracted GEI, Inc. to prepare the report, with Mr. Phil Dunn as the Principal Investigator. CNRA circulated a Request for Information to solicit materials that may be relevant for the report's findings; this information or a notification of intent to send relevant information was requested by July 21, 2017. After review of existing information, GEI will conduct a suitability assessment in accordance with requirements of AB 142 for CNRA and conduct outreach to stakeholders and the public around the final report.

CNRA has expressed its appreciation for UMRWA's supporting role in this initiative to implement AB 142.



Upper Mokelumne River Watershed Authority

Agenda No: **4**

Meeting Date: April 28, 2017

Title:

Fiscal Year 2018 UMRWA Budget

Recommended Action:

Approve the FY 2018 UMRWA budget.

Summary:

Following UMRWA's established budget procedure, the Board at the April 28 meeting reviewed the proposed FY 2018 Budget and directed staff to transmit the proposed budget to Member Agencies for review and comment. A memorandum presenting the proposed FY 2018 budget and Member Agency assessment amounts was sent to Member Agency General Managers and County Administrative Officers (with copies to each Member agency's UMRWA Board director) on May 10. Responses were received from AWA, JVID and EBMUD expressing general support for the proposed budget; no objections were received.

The FY 2018 Budget, as detailed below, is presented today for the Board's approval.

Discussion:

The FY 2018 budget is presented in Table 1. The member-funded portion of the proposed budget is \$154,500 less than the prior year (\$147,000 versus \$301,500). Presented in Table 2 are estimated Member Agency funding allocations, including allowances for in-kind services provided this fiscal year by Amador County and EBMUD. Resulting Member Agency funding allocations and associated assessment amounts are shown in Table 3.

The budget is organized to distinguish between the Authority's two primary revenue sources, Member funding and non-Member funding (formerly referred to as grant funding, but now also including USFS receipts). Accordingly, the Authority's work activities planned for FY 2018 are similarly organized as shown below.

For the Member-funded portion of the FY 2018 budget:

- 1) Maintain (unchanged) the Authority Board and Authority administration budget (including data and website technical support) for a total \$70,500.
- 2) Maintain (unchanged) the annual funding support for the local school watershed education program at \$16,500.
- 3) Reduce to \$50,000 (from \$100,000) the funding level for consultant and staff costs associated with developing new grant applications and developing funded project elements.
- 4) Include \$10,000 for start-up of a Mokelumne Community Forest program.

- 5) Remove the UMRWA \$125,000 half-share toward the costs for the AB 142 Wild and Scenic study.

Overall, the proposed Member funded portion of the proposed FY 2018 budget is \$154,500 less than the FY 2017 budget amount.

For the non-Member funded portions of the budget, the funding associated with Prop 84 implementation grants, the Sierra Nevada Conservancy Prop 1 grant and USFS sources for FY 2018 will be determined in September, the final month of UMRWA's fiscal year. Awarded but uncollected funds will be carried forward from FY 2017 to FY 2018. Those amounts will be determined based on the end of fiscal year Treasurer's Report (as of September 30, 2017). No Member Agency funding is budgeted to support these non-Member funded activities in FY 2018.

Table 1 – PROPOSED FY 2018 BUDGET

Programs	Categories	Member Funds	Other Funds (Prop 84, USFS, SNC)	Total
Board and Authority Admin	Executive Officer	40,000		70,500
	Contract Associate	20,000		
	Data and Web technical support	10,500		
Watershed Management	School Watershed Program (STE)	16,500		16,500
Forestry Program	Pumpkin Hollow Project		Carry forward	
	Mokelumne Community Forest	10,000		10,000
Planning & Grants	Grant applications/Project development	50,000		50,000
	Drought Grant pass thru to project sponsor AWA		Carry forward	
	Drought Grant administration		Carry forward	
TOTAL BUDGET		\$147,000	Carry forward - Tbd	\$147,000

Tbd = To be determined; will be based on amount of other funds received vs. pending as of Sept. 30, 2017

Table 2 – FY 2018 MEMBER AGENCY FUNDING BASIS

Member Funds/assessments	As provided above in Proposed FY2018 Budget	\$147,000
Off budget <i>In-kind</i> contributions*	Authority Legal Counsel \$6,000 (Amador County) Accounting/audit and Authority Secretary \$22,500 (EBMUD)	\$28,500* In-kind
TOTAL		\$175,500

* = Dollar amounts are updated estimates based on prior year Member agency actual costs.

Table 3 – FY 2018 MEMBER FUNDING ALLOCATIONS & ASSESSMENTS

Formula % Share	Member Agency %	Proposed FY18 Allocation (\$)	In-Kind Credit (\$)	Proposed Assessment Due (\$)	Prior FY17 Allocation (\$)
Amador Entities 20%	Amador County – 9.2%	16,146	(6,000)	10,146	30,912
	Amador Water Agency – 9.2%	16,146	0	16,146	30,912
	Jackson Valley ID – 1.6%	2,808	0	2,808	5,376

Calaveras Entities 20%	Calaveras County – 6.0%	10,530	0	10,530	20,160
	Calaveras County WD – 9.6%	16,848	0	16,848	32,256
	Calaveras PUD – 4.4%	7,722	0	7,722	14,784
EBMUD 60%	EBMUD – 60%	105,300	(22,500)	82,800	201,600
TOTAL		175,500	\$28,500	\$147,000	336,000



Upper Mokelumne River Watershed Authority

Agenda No: 5

Meeting Date: July 28, 2017

Title:

CSRC&D Youth Watershed Stewardship Program FY2018 Agreement

Recommended Action:

Approve the agreement with the CSRC&D for fiscal year 2018 and authorize the Executive Officer to execute the agreement.

Summary:

Each year beginning in 2006 UMRWA has provided funds to support the local public schools Youth Watershed Stewardship Program (YWSP). The program is facilitated under an agreement between UMRWA and the Central Sierra Resource Conservation and Development District (CSRC&D), which in partnership with Stewards Through Education (STE) sponsors the YWSP.

Following the Board's recent discussions regarding the YWSP's curriculum Directors Farrington and Oneto meet with CSRC&D Chair Valerie Klinefelter and STE representative Maryanne Garamendi to review potential curriculum enhancements that address forest fire and forest health concepts. An agreement with the CSRC&D to conduct the YWSP for another year is attached to this agenda item (the FY2018 UMRWA budget includes \$16,500 to continue the Authority's support of this program). The Scope of Work includes the task; *Integrate lessons on "Healthy Forests Resist Wildfires" to include impacts of catastrophic wildfire on water quality and other resources and methods to restore and sustain healthy forests to resist fire.* The recommended agreement between UMRWA and CSRC&D for the FY 2018 program is attached.

UMRWA and Sustainable Healthy Forests:

With the devastating Rim, King, and Sand wildfires in the last five years north and south of the Mokelumne Watershed, and then the recent Butte Fire, it has become abundantly clear that Sierran headwater forests and resources face extreme risk from wildfire. Catastrophic wildfire in the Mokelumne Watershed could severely damage water quality that water agencies highly depend on, and could adversely impact other resources including soils, fish, wildlife, air quality, carbon capture, and recreation resources. Since UMRWA's responsibilities include "enhancement of (i) watershed environmental values, (ii) water quality protection, and (iii) recreation activities (2008 JPA 2nd Amendment)," it is appropriate for UMRWA to advocate educational programs that focus on forest fire and forest health concepts.

Increasing public health, safety and welfare risks associated with catastrophic wildfires are driving a multitude of Federal and State agencies, water agencies, policy researchers,

and local groups such as the Amador-Calaveras Consensus Group to action. The Public Policy Institute of California has written:

“The health of California’s headwaters is at risk. Historic forest and fire management practices have made forests overly dense and prone to extreme and costly wildfires. Large fires raise numerous challenges for water management—they can reduce water quality and reservoir storage capacity, while increasing risks of flooding and landslides. Headwaters are also under stress from a changing climate. The hot, dry conditions of the latest drought led to record tree mortality and wildfires—a glimpse of what the future might hold.”

In 2015 the California Natural Resources Agency and US Forest Service signed an agreement to work together on a Sierra Nevada Watershed Improvement Program (WIP). The agreement identifies:

“The pace and scale of science-based ecological restoration needs to dramatically increase in order to stem the tide of large, uncharacteristic wildfires and further degradation of these ecosystems. This restoration includes the thinning and management of forests through manual, mechanical, and prescribed fire treatments.”

The Sierra Nevada Conservancy has written:

“Wildfires in the Sierra Nevada are getting bigger and more intense. Forests and meadows are stressed, compromising the Region’s ability to filter and store water for use later in the year. Greenhouse gases are being released at a higher rate than previously expected due to drought and insect-related tree mortality, and high intensity fire events.”

In 2016, UMRWA entered into a Master Stewardship Agreement with the US Forest Service committing to partnering on fire reducing forest health and watershed improvement in the Mokelumne River watershed including the Hemlock and Pumpkin Hollow projects.

It is within this context that it is proposed the Youth Watershed Stewardship Program curriculum include topics that focus on forest health, fire risk and damage, and watershed improvement. The types of questions and related topics that illustrate UMRWA’s perspective on potential curriculum content include the following.

What are impacts from catastrophic wildfire in headwater forests?

- Degrades water quality – What & How?
- Increases water temperature – How?
- Damages soil and increases erosion - How?
- Increases sedimentation – How?
- Degrades fish and aquatic wildlife and habitat – How?
- Degrades birds and terrestrial and other wildlife – How?
- Damages endangered and sensitive species – How?
- Reduces reservoir capacity – How?
- Increases air pollution – How?
- Reduces carbon sequestration – How?
- Reduces recreational opportunity – How?
- Increases water runoff and reduces retention – How?

What can be done to reduce wildfire impacts and protect the watershed?

- Prevent overcrowding and dying of trees and vegetation – Why?
- Reduce spread rate of fire –How?
- Promote healthy forests and soils – How?
- Increase water retention – How?
- Increase water yield – How?
- Decrease water temperature – Why & how?
- Maintain access by roads and trails – Why & how?

As presented and discussed with CSRC&D and STE representatives on June 14, outlined below are sources of topical information that could serve as resources for developing curriculum enhancements that address UMRWA’s concerns and interests related to healthy forests.

A. These begin with a series of Butte Fire area pictures and videos on the need for forest health and watershed improvement projects. It is through pictures and videos that fire damage, and the need to reduce our local communities from risks associated with catastrophic wildfires, may be effectively demonstrated to students.

- U-Tube Video of interviews with officials after signing of USFS—UMRWA Master Stewardship Agreement https://youtu.be/E6qi2_dCDEM
- State of Sierra Nevada Forests, by the Sierra Nevada Conservancy (PowerPoint) <http://www.sierranevada.ca.gov/our-work/docs/StateofSierraForestsRptPresentation.ppt/view>
- U-tube Video of “Conservation-Water-Forestry-Rural Communities agree on Ecologically Sound Forest Management <http://calforests.org/conservation-water-forestry-rural-communities-agree-ecologically-sound-forest-management/>
- Other references:
- Amador-Calaveras Consensus Group on How Unhealthy Forests Affect Water Supply <http://aconsensus.org/2017/06/04/how-unhealthy-forests-affect-water-supply/>
- March 2017 Update on State of S.N. Forests by SNC (From Bad to Worse) <http://www.sierranevada.ca.gov/our-work/docs/SOSv2webPrint.pdf>
- CNRA-USFS MOU http://www.sierranevada.ca.gov/our-work/sierra-nevada-wip/CNRAUSFSMOU_signed.pdf
- PPIC Protecting Headwaters http://www.ppic.org/content/pubs/report/R_1016JM4R.pdf

B. Potential teachable lessons by The Forest Foundation, which target 4th through 6th grade students, are available on line (<http://www.calforestfoundation.org/learn>).

- 1) Hot Topics: Lesson 2 of 4 “Fire – How does it relate to you?” (pgs. 13-20)
- 2) Hot Topics: Lesson 3 of 4 “Fire in Our Communities- -What Can We Do? (pgs. 21-30)
- 3) Lesson 8 Forest Watersheds – includes the Importance of Healthy Forests for California’s Water Supply
- 4) Lesson 7 Forest Families – includes natural disasters
- 5) Lesson 4 Sustainable Forest

C. Other references to fire and forest health.

- Threats to Water Quality from Catastrophic Wildfire & Watershed Improvement/Restoration Needs
- https://youtu.be/E6qi2_dCDEM
- <http://calforests.org/conservation-water-forestry-rural-communities-agree-ecologically-sound-forest-management/>
- <http://www.calforestfoundation.org/learn>
- <http://acconsensus.org/2017/06/04/how-unhealthy-forests-affect-water-supply/>
- <http://www.sierranevada.ca.gov/our-work/docs/SOSv2webPrint.pdf>
- https://www.youtube.com/watch?v=wAkzynJQOoE&t=5s&list=PL0dHqeDiHCDVYk8dp_MoALRj_yv_-ag_X&index=10

[Acknowledgement: Much of the foregoing text was written by Director Farrington and provided to appreciative UMRWA staff.]

AGREEMENT FOR CONSULTING SERVICES

THIS AGREEMENT FOR CONSULTING SERVICES (Agreement) is entered into as of October 1, 2017 by and between Central Sierra Resource Conservation and Development, Inc. (CSRC&D), 501c3 a nonprofit public benefit corporation, and Upper Mokelumne River Watershed Authority (Authority), a joint powers agency formed pursuant to the laws of the State of California.

RECITALS

A. CSRC&D and UMRWA have a common objective to develop and promote a cost effective Youth Watershed Stewardship Program (YWSP) that builds on local working relationships for the conservation and wise use of water in the areas served by UMRWA members.

B. CSRC&D and UMRWA have determined it to be in their mutual interests to establish a contractual relationship whereby collaborative watershed education efforts between teachers, students, community partners and UMRWA members may be established through the YWSP.

C. Authority desires to engage CSRC&D, and CSRC&D desires to be engaged by Authority, to provide consulting services to perform certain tasks necessary to develop and implement the YWSP, in accordance with the terms and conditions set forth in this Agreement.

D. Authority is not financing the Agreement but is relying on contributions from its Members to fund the activities set forth herein.

NOW THEREFOR, in consideration of the performance of the covenants herein contained, the parties agree as follows:

1. SERVICES TO BE RENDERED BY THE CSRC&D

CSRC&D will introduce the tasks as specified in the Scope of Work & Budget (Exhibit A, attached and incorporated by this reference) for the following Amador and Calaveras County schools, and perform Exhibit A tasks in those schools where an invitation is received, provided that CSRC&D will provide services in at least three fourths of schools listed below:

Amador County

- Jackson Elementary
- Jackson Middle School
- Ione Elementary
- Pine Grove Elementary
- Pioneer Elementary
- Sutter Creek Elementary
- Plymouth Elementary
- Sutter Creek Primary
- Ione Middle School
- Argonaut High School
- Amador High School
- Mountain Oaks (Amador)

Calaveras County

- Copperopolis Elementary

- Hazel Fisher Elementary
- Jenny Lind Elementary
- Mark Twain Elementary
- Mokelumne Hill Elementary
- Railroad Flat Elementary
- San Andreas Elementary
- Valley Springs Elementary
- West Point Elementary
- Avery Middle School
- Toyon Middle School
- Bret Harte High School
- Calaveras High School
- Mountain Oaks (Calaveras)
- Christian Learning Center
- Albert Michelson Elementary

CSRC&D will also target after school youth programs to encourage additional youth participation in the YWSP.

CSRC&D agrees to commence performance forthwith and to complete the Scope of Work in conformance with Exhibit A.

2. CHANGES IN SCOPE OF SERVICES. Both the Authority’s Board of Directors and CSRC&D Governing

Council (Council) must approve any extension of time, change order, change in the Scope of Work, change in the contract price, or other term or condition affecting CSRC&D's duties set forth herein. Any change to the terms and conditions of this Agreement not authorized in writing by the UMRWA Board of Directors and CSRC&D Council shall be null and void.

3. TERM OF AGREEMENT; TERMINATION. This Agreement shall terminate automatically on successful completion of the Work, or on October 31, 2018. Either party may terminate this Agreement with or without cause on thirty- (30) days written notice. In the case of such early termination, CSRC&D shall be paid for all services rendered in accordance with the terms and provisions of this Agreement up to the effective date of termination, up to the maximum fee prescribed for any task.
4. REPORTING AND COMPENSATION.
 - 4.1 CSRC&D shall submit invoices indicating activities performed and expenses incurred during the preceding invoice period. Invoices shall be submitted no more frequently than monthly and no less frequently than quarterly. All invoices shall be accompanied by a report containing the information referenced in section 4.3 below. No retention shall be required. Payment for all undisputed charges shall be made by the Authority within 30 days of receipt of the invoice. Disputed charges, along with supporting documentation that demonstrates the reasonableness of the dispute, must be communicated to CSRC&D within 30 days of receipt of the invoice.
 - 4.2 Invoices (in PDF form) shall be submitted via email to Rob Alcott at robalcott@aol.com. Compensation to CSRC&D shall be paid in accordance with UMRWA's share of the compensation for each task included in the Scope of Work as set forth in Exhibit A. In no event shall UMRWA's share of compensation for completion of the Scope of Work exceed the maximum amount of **\$16,500**. Authority's payment of compensation is dependent upon Authority's receipt of funds for this Agreement from its Members.
 - 4.3 Each invoice submitted pursuant to this Section 4 shall be accompanied by a report containing the following information: (i) percentage of completion of each task listed in Exhibit A; (ii) schools, students, and teachers participating in the Program; (iii) field trips undertaken, (iv) material produced pursuant to this Agreement, and (v) any other activities funded through this Agreement.
5. SUPERVISION OF THE SCOPE OF WORK.
 - 5.1 CSRC&D shall be responsible for ensuring that the Scope of Work is properly performed. Authority shall deal only through the Council, who shall be responsible for the proper execution of the entire Scope of Work.
 - 5.2 CSRC&D shall be responsible to Authority for the acts and omissions of its employees, subcontractors, and their agents and employees, and any other persons performing any of the Scope of Work under a contract with CSRC&D.
6. ASSIGNMENTS. CSRC&D may not assign, subcontract, or transfer its interest in this Agreement without the written consent of Authority.
7. CSRC&D NOT EMPLOYEE OF AUTHORITY. It is understood that CSRC&D is not acting hereunder as an employee of Authority but solely as an independent contractor. CSRC&D, by virtue of this Agreement, has no authority to bind or incur any obligation on behalf of Authority. It is understood by both CSRC&D and Authority that this Agreement shall not under any circumstances be construed or considered to create an employer-employee relationship or a joint venture.
8. NOTICES. All notices herein provided to be given, or which may be given, by either party to the other, shall be deemed to have been fully given when made in writing and deposited in the United States Postal Services, certified with return receipt requested, with postage prepaid and addressed as follows:

To CSRC&D: Central Sierra RC&D
Carolyn Mendoza, Administrative Assistant
1324 Jackson Gate Road
Jackson, CA 95642

To Authority: Upper Mokelumne River Watershed Authority
Rob Alcott, Executive Officer
P. O. Box 383
Sea Ranch, CA 95497

With a copy to:
Gregory Gillott
Authority Counsel
810 Court Street
Jackson, CA 95642

The address to which notice shall or may be mailed, as aforesaid, to either party shall or may be changed by written notice given by such party or the other, as hereinbefore provided, but nothing herein contained shall preclude the giving of any such notice by personal service.

9. INDEMNIFICATION AND INSURANCE.

- 9.1 CSRC&D shall indemnify, defend (upon request of the Authority) and hold harmless the Authority and its agents, board members, elected and appointed officials and officers, employees, volunteers and authorized representatives from any and all losses, liabilities, charges, damages, claims, liens, causes of action, awards, judgments, costs, and expenses (including, but not limited to, reasonable attorney's fees of counsel, expert fees, costs and staff time, and investigation costs) of whatever kind or nature (collectively "Claims"), that arise out of or are in any way connected with any negligent error, act or omission of CSRC&D and/or its officers, agents, employees, independent contractors, subcontractors, or authorized representatives, unless such Claim arises out of the sole negligence or willful misconduct of the Authority or its agents or employees.
- 9.2 CSRC&D shall take out and maintain at all times during the term of this Agreement, a policy or policies of insurance as follows:
- (a) General Liability – Commercial General Liability Insurance of not less than One Million Dollars (\$1,000,000) combined single limit per occurrence for bodily injury and property damage, including but not limited to endorsements for the following coverage: Premises, personal injury, and products liability.
 - (b) Automobile Liability – Automobile Liability Insurance of not less than One Million Dollars (\$1,000,000) combined single limit per occurrence for bodily injury and property damage is required in the event motor vehicles are used by CSRC&D in the performance of the work.
- 9.3 CSRC&D shall furnish a certificate of insurance and policy endorsements satisfactory to the Authority as evidence that the insurance required above is being maintained. CSRC&D agrees that the insurance required above shall be in effect at all times during the term of this Agreement. In the event said insurance coverage expires at any time or times during the term of this Agreement, CSRC&D agrees to provide at least 30 days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of the term of this Agreement, or for a period of not less than one year.
- 9.4 Certificates of insurance must provide that the insurer will not cancel the insurance coverage without 30 days prior written notice to the Authority; and shall state that the Authority, its officers, officials, employees, and

volunteers are included as additional insured, but only insofar as the operations under this Agreement are concerned. This provision shall apply to all liability policies *except* workers' compensation insurance policies.

- 9.5 CSRC&D shall be responsible for payment of any deductible contained in any insurance policy required under this Agreement and CSRC&D shall also be responsible for payment of any self-insured retention. Any deductible or self-insured retention must be declared to, and approved by the Authority prior to beginning the Work. In the event any deductible and/or self-insured retention is deemed unacceptable by the Authority, either (i) CSRC&D's insurer shall reduce or eliminate such deductible or self-insured retention as respects the Authority, its officers, officials, employees, representatives or agents; or (ii) CSRC&D shall provide a financial guarantee, satisfactory to Authority, guaranteeing payment of losses and related investigations, claim administration, and defense expenses.
- 9.6 CSRC&D's insurance coverage shall be primary insurance as respects the Authority, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the Authority, its officers, officials, employees or volunteers shall be in excess of the CSRC&Ds insurance and shall not contribute with it.
- 9.7 In accordance with the provisions of Article 5, Chapter 1, Part 7, Division 2 (commencing with Section 1860), and Chapter 4, Part 1, Division 4 (commencing with Section 3700), of the Labor Code of the State of California, Consultant is required to secure the payment of compensation to its employees and shall for that purpose obtain and keep in effect adequate Workers' Compensation Insurance. CSRC&D is aware of the provisions of Section 3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to permissibly self-insure in accordance with the provisions before commencing the performance of the services of this Agreement.
10. CONTRACT EXECUTION. Each individual executing this Agreement on behalf of the Authority and CSRC&D represents that he or she is fully authorized to execute and deliver this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

UPPER MOKELUMNE RIVER WATERSHED
AUTHORITY

BY: _____
Rob Alcott, Executive Officer

CENTRAL SIERRA RESOURCE
CONSERVATION & DEVELOPMENT, INC.

BY: _____
Valerie Klinefelter, Chairperson

(Federal Tax I.D. No.: 42-1586576)

Exhibit A – Scope of Work & Budget
Implementation of Youth Watershed Stewardship Program
(Oct. 1, 2017 – Sept. 30, 2018)

Description	Date of Completion	Subtotal w/o Admin.
Annual Implementation of Guide (2017 – 2018)	9/30/2018	\$ 7,000.00
<p>Integrate lessons on “Healthy Forests Resist Wildfires” to include impacts of catastrophic wildfire on water quality and other resources, and methods to restore and sustain healthy forests to resist fire.</p> <p>Conduct in-service training to teachers in elementary, middle, school classrooms in Calaveras and Amador Counties to implement use of STE website and Watershed Guide. Provide subsidized transportation and supervision for field activities, Ranger Led Environmental Education Program (RLEEP) and the Classroom Aquarium Education Program (CAEP).</p>		
Program Support	9/30/2018	\$ 4,600.00
<p>Website update and support, storage costs, equipment, supplies, insurance, and LLC licensing.</p>		
Watershed Alive! Days and Stewards of the Watershed Elementary Program	9/30/2018	\$ 2,425.00
<p>Coordinate and conduct water awareness training for local students (Stewards of the Watershed) through ‘Watershed Alive! Days’, in Calaveras County and Amador County.</p>		
Subtotals w/o Administration		\$ 14,025.00
CSRC&D Administration & Accounting		\$ 2,475.00
Total		\$ 16,500.00



Upper Mokelumne River Watershed Authority

Agenda No: **6**

Meeting Date: July 28, 2017

Title:

Update on Prop 84 Implementation Grants

Recommended Action:

Ratify the Executive Officer’s signature on Drought Grant agreement Amendment 2 which reallocates budgeted grant dollars to substitute water conservation projects.

Summary:

This agenda item presents brief updates on fulfillment of the two ongoing UMRWA Proposition 84 Implementation Grants awarded by the Department of Water Resources; the 2014 Drought Grant and the Round 2 Implementation Grant.

2014 Drought Grant:

The Drought Grant agreement with DWR was executed on April 23, 2015. The original term of this agreement expired January 15, 2017. At the October 2016 meeting the Board authorized the EO to execute an amendment to the 2014 Drought Grant agreement to extend the term to April 15, 2018. That amendment was executed on February 15, 2017.

As previously reported to the Board beginning in July 2016 one of AWA’s two grant-funded drought projects was determined to be unfeasible and an effort to identify eligible substitute projects was then initiated. In May 2017, following months of extended coordination between AWA, UMRWA and DWR, an acceptable reallocation of grant funds was determined. To expedite AWA’s planning and engineering work needed to implement the substitute conservation projects the EO executed Amendment 2 on May 11.

With Amendment 2 the Drought Grant funding has been reallocated to fund two new substitute water conservation projects, and to fund Ione WTP Backwash Project costs that exceed the original Drought Grant funding allocation. The current status of the Amador Water Agency projects receiving re-allocated grant funding under the amended agreement is provided in Table 1 below.

Table 1 – 2014 Drought Grant Projects Status

AWA Projects	Project Status
Camanche Lateral Replacements (Phase 3)	AWA has previously completed two phases of this project, each having received funding from prior Prop 84 grants awarded through UMRWA. Planning to complete Phase 3 is underway.
Tanner WTP	This newly added Drought Grant project, long

Backwash Recovery	identified in AWA's capital projects plan, is the focus of expedited planning and engineering.
Ione WTP Backwash Recovery	Construction completed.

Round 2 Implementation Grant:

Two of the three projects receiving a share of UMRWA's \$2,174,587 Round 2 Proposition 84 Implementation Grant award have been completed, as has the Vintage Home Retrofit Project component of CARWSP. The Round 2 grant termination date is January 31, 2018. The implementation status of the projects is summarized in Table 2 below.

Table 2 - Round 2 Prop 84 Implementation Projects Status

Project (Sponsor)	Project Status
Lake Camanche Lateral Replacements (AWA)	Completed.
Camanche Regional Water Supply Project - Phase 1 (EBMUD)	EBMUD is completing several additional treatment plant operational enhancements and is scheduled to begin work to connect the new WTP to Camanche North Shore in September. This project is approximately 95% complete.
Vintage Home Retrofit - part of CARWSP (UMRWA)	Completed. (Final project totals: 270 toilets and 235 showerheads replaced.)
Ponderosa Way Restoration	Completed.



Upper Mokelumne River Watershed Authority

Agenda No: **7**

Meeting Date: July 28, 2017

Title:

Board Planning Session

Recommended Action:

Approve scheduling a special meeting for a Board planning session beginning at 2:00 p.m. October 5 at Pardee Center.

Summary:

As the Board has recently discussed, the timing is good to engage in strategic discussions regarding UMRWA as an organization, potential new opportunities we may encounter, and the Authority's future role in seizing those opportunities. To that end a special meeting is proposed for October 5 (the afternoon before the October 6 morning Board meeting and Pardee BBQ) at Pardee Center. This is envisioned to be an informal gathering that, due to BBQ preparations, will be held in the large gazebo just to the north of Pardee Lodge.

Subject to the Board's discussion and direction, the following subjects have been tentatively identified for inclusion on the planning session agenda:

- Review UMRWA's initial purpose and its subsequent response to changing circumstances and opportunities.
- The Authority's deliberate effort to maintain a non-controversial role in fulfilling various watershed initiatives, and its relative cost efficiency.
- Looking forward - 5 to 10 years - to identify and prioritize UMRWA's potential future tasks and activities.
- Discuss pros and cons of several options for perpetuating and/or expanding UMRWA's organizational capacity and capability.
- Review current version of the JPA and identify potential desirable changes

Based on the Board's discussions and stated preferences staff will prepare recommended next steps for the Board's consideration at the January 26, 2018 Board meeting.



Upper Mokelumne River Watershed Authority

Agenda No: **8**

Meeting Date: July 28, 2017

Title:

Legislative Issues Update

Recommended Action:

For discussion and possible action – legislative matters discussed by the Board

Legislation:

No pending legislation was identified at the time this agenda packet was being prepared that is squarely within UMRWA's field of interest. Thus, no legislation has been reviewed and summarized for inclusion in this agenda item. Board directors, however, may have particular legislation of interest and this agenda item is intended to also facilitate discussion of it.

Sierra Nevada Conservancy Legislative Tour:

Sierra Nevada Conservancy (SNC) staff has notified UMRWA that the planned legislative tour tentatively targeted for July 27 will not take place until later in the year. SNC is working with Senator Skinner's office and caucus staff to find a new date most likely during the Legislature's fall recess (the Legislative session concludes Sept. 15).



Upper Mokelumne River Watershed Authority

Agenda No: 9

Meeting Date: July 28, 2017

Title:

UMRWA Policies Including Conflict of Interest Code

Recommend Action:

1. Authorize the Executive Officer to file the Biennial Notice with the Fair Political Practices Commission indicating no amendment to the UMRWA Conflict-of-Interest Code is required.
2. Approve the recommended revisions to the Investment and Financial Management Policy and Procedure

Discussion:

Since the Authority was created in the year 2000 the Board of Directors has adopted a Conflict of Interest Code and three policies and procedures. As the Authority continues to adapt and tackle new opportunities it is anticipated additional policies and procedures will be needed. In anticipation of this organizational evolution the previously adopted code and three policies have been numbered (or re-numbered) and organized under the uniquely creative title of 'UMRWA Policies and Procedures' shown in the table below.

Number	Name
1	CONFLICT of INTEREST CODE
2	INVESTMENT and FINANCIAL MANAGEMENT POLICY and PROCEDURE
3	BUDGET POLICY and PROCEDURE
4	PROCUREMENT POLICY and PROCEDURE

As discussed below, two of the above require review and Board action today.

Conflict of Interest Code:

The California Political Reform Act requires every multi-county agency to review its conflict-of-interest code biennially and submit a Biennial Notice to the Fair Political Practices Commission (FPPC) that indicates whether the agency's code is accurate or

whether it needs to be amended. If amendments are needed, the revised conflict-of-interest code must be submitted to the FPCC for approval within 90 days of filing the Biennial Notice.

Review of UMRWA's conflict-of-interest code indicates that no amendments are warranted. Accordingly, the Authority should file its Biennial Notice with the FPCC indicating no amendments are required.

Note: The Conflict of Interest Code is also now being incorporated into UMRWA's Policy and Procedures (as Policy 1).

Investment and Financial Management Policy and Procedure:

In July 2008, in response to the Authority Treasurer's recommendation, the Board adopted the UMRWA Investment Policy. Through recent communications with the Treasurer's office it was determined an update to that policy is appropriate. The attached policy and procedure reflects the recommended changes, including expanding the policy to include broader financial management considerations. These will be reviewed with the Board at the Board meeting.

Upper Mokelumne River Watershed Authority

CONFLICT of INTEREST CODE	Policy No. 1 Adopted: 22 April 2004
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The Political Reform Act (Government Code Section 8100, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict of interest code that may be incorporated by reference in an agency's code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices commission are hereby incorporated by reference. This regulation and the attached Appendix designating officials and employees, and establishing disclosure categories, shall constitute the conflict of interest code of the Upper Mokelumne River Watershed Authority.

Designated employees shall file their statements with the Secretary of the Upper Mokelumne River Watershed Authority who will make the statements available for public inspection and reproduction. (Gov. Code Section 81008). Upon receipt of the statements of the Members and Alternate Members of the Board of Directors and the Executive Officer, the Authority shall make and retain a copy and forward the originals to the fair Political Practices Commission. Statements of other designated employees are to be retained by the Authority.

APPENDIX OF DESIGNATED EMPLOYEES AND DISCLOSURE CATEGORIES

<u>DESIGNATED EMPLOYEE</u>	<u>DISCLOSURE CATEGORIES</u>
Member, Board of Directors	All
Alternate Member, Board of Directors	All
Member, Associate Member Committee	All
Executive Officer	All
Authority Attorney	All
Treasurer	All
Controller	All
Consultants ¹	All
<u>Category A:</u>	Interests in real property located in any Affected County. ²
<u>Category B:</u>	Income from sources located in any Affected County.
<u>Category C:</u>	Investments in any business entity that is located in any Affected County.
<u>Category D:</u>	Business positions held in any business located in any Affected County.

¹ Consultants shall be included in the list of designated employees and shall normally disclose pursuant to the broadest disclosure categories in the Code. However, the Executive Officer may determine in writing

² An 'Affected County' shall mean any of the following counties of the State of California: Alameda, Alpine, Amador, Calaveras, Contra Costa, Sacramento, or San Joaquin.

Upper Mokelumne River Watershed Authority

INVESTMENT and FINANCIAL MANAGEMENT POLICY and PROCEDURE (Draft)	Policy No. 2 Revised: 28 July 2017 Adopted: 25 July 2008
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Pursuant to the Joint Exercise of Powers Agreement establishing the Upper Mokelumne River Watershed Authority, the Treasurer of East Bay Municipal Utility District serves as the Treasurer of the Authority, and the Director of Finance for East Bay Municipal Utility District serves as the Controller of the Authority.

IT IS THE POLICY OF THE UPPER MOKELUMNE RIVER WATERSHED AUTHORITY TO:

- Generally adhere to the Investment Policy of East Bay Municipal Utility District.
- Rely on the professional guidance and financial expertise of the East Bay Municipal Utility District Treasurer and Finance Director in fulfilling the Authority's treasury, controller, accounting and audit functions.
- Place the authority and responsibility with the Executive Officer, or designee, to administer and coordinate the Authority's day-to-day financial affairs with the East Bay Municipal Utility District Treasurer and Finance Director, or their designees.

PROCEDURE:

The Authority's surplus funds are held in the East Bay Municipal Utility District's treasury and are to be invested consistent with the District's Investment Policy 4.07 as updated from time to time (the District's Policy). The Authority recognizes the District's Policy is compliant with, but may be more restrictive than, the California Government Code, which allows the Authority to invest its surplus funds.

The Authority may request the District Treasurer to invest Authority funds in a specific investment and the District Treasurer will make a reasonable effort to fulfill the request.

The Authority acknowledges the District invests, consistent with District Policy 4.07, some or all Authority funds in funds providing daily liquidity, such as the State of California’s Local Agency Investment Fund.

The table below (provided for reference) is a summary of investment allocations per District Policy as of April 25, 2017.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Minimum Credit Quality</u>	<u>Maximum in Portfolio</u>	<u>Maximum Investment In One Issuer</u>
Repurchase Agreements	270 Days	N/A	20%	10%
State of California Local Agency Investment Fund (LAIF Pool)	Upon Demand	N/A	\$40,000,000 per account	N/A
U.S. Treasury Bonds, Notes and Bills	5 Years	N/A	0 to 100%	N/A
U.S. Government Agency and U.S. Government-Sponsored Enterprise Obligations	5 Years	N/A	0 to 100%	40% in each Agency
Bankers Acceptances	180 Days	N/A	40%	30%
Commercial Paper	270 Days	A1, P1, F1	25%	10%
Negotiable Certificates of Deposit	5 Years	AA	30%	10%
Time Certificates of Deposit - Banks or Savings and Loans	5 Years	N/A	30%	10%
Medium Term Corporate Notes	5 Years	AA	30%	10%
Money Market Mutual Funds	N/A	AAA	40%	10%
The Authority does not enter into reverse repurchase agreements.				



Upper Mokelumne River Watershed Authority

Agenda No: **10**

Meeting Date: July 28, 2017

Title:

Treasurer's Report - Third Quarter FY 2017

Recommended Action:

Accept for filing

Summary:

The Treasurer's Report for the Third Quarter of fiscal year 2017, which ended June 30, 2017, is attached and will be reviewed at the Board meeting.

**UPPER MOKELUMNE RIVER WATERSHED AUTHORITY
TREASURER'S REPORT - STATEMENT FOR THE PERIOD ENDING 6/30/17**

Year 2016-2017	General Assessment & Grants	Budget FY 2017	Actual		
			Current Quarter	YTD	YTD %
General Assessments					
Amador Agencies	63,200	63,200	-	63,200	100%
Calaveras Agencies	67,200	67,200	20,160	67,200	100%
EBMUD Funding	179,100	179,100	15,301	179,100	100%
Prior Year Carry Forward *	120,270	120,270	-	-	0%
Interest/Misc Income	5	5	122	233	0%
Total Assessment & Misc Funding	429,775	429,775	35,583	309,733	72%
Prop 84 Grants					
Implementation Grant Rnd 2 (carry fwd)	303,237	303,237	13,998	41,426	14%
Drought Grant (carry fwd)	4,232,524	4,232,524	3,199	9,325	0%
Forestry/Watershed Funding					
US Forest Service (Power Fire EIS)	50,000	50,000	16,932	35,005	70%
US Forest Service (Pumpkin Hollow)	244,665	244,665	32,701	50,943	21%
Sierra Nevada Conservancy Grant 1 (Pumpkin Hollow)	500,000	500,000	1,847	1,847	0%
Total Grants and Other Funding	5,330,426	5,330,426	68,678	138,546	3%
TOTAL REVENUES & FUNDING	5,760,201	5,760,201	104,260	448,279	8%
ASSESSMENT EXPENDITURES					
General Assessment (Administration)					
Executive Officer		40,000	7,337	30,903	77%
Contract Associate		20,000	-	-	0%
General Assessment (Operations)					
CSRC&D - School Watershed STE Program		16,500	-	3,264	20%
AB142 Wild & Scenic Study		125,000	-	-	0%
MAC Data Plan & Website Support (incl. \$2,510 carry fwd)		10,510	5,459	5,459	52%
FY 2017 Grant Applications/Project Development		100,000	7,375	12,658	13%
Assessment - Operational Reserve (carry fwd)		63,600	-	-	0%
TOTAL ASSESSMENT EXPENDITURES		375,610	20,171	52,284	14%
GRANT and FORESTRY/WATERSHED FUNDING EXPENDITURES					
Implementation Grant - Round 2 - Pass Thru to Sponsors:					
AWA - Lake Camanche Laterals Phase 2		30,774	-	-	0%
EBMUD - Camache Area Regional Water Supply		99,832	-	-	0%
Calaveras County - Ponderosa Way Restoration		84,805	-	4,323	5%
Echo Tech - VHR Water Conservation Program *		110,080	14,783	40,118	36%
UMRWA - VHR Water Conservation Program *		2,216	-	-	0%
Implementation Grant - Round 2 - Administration:					
RMC		17,750	2,827	7,430	42%
WRA		11,940	3,863	9,281	78%
Implementation Grant - Drought Grant 2014 - Pass Thru to Sponsors:					
AWA - Amador Raw Water Pipeline		48,652	-	-	0%
AWA - Tanner WTP Backwash		4,097,984	-	-	0%
AWA - Ione WTP Backwash		30,734	-	-	0%
Implementation Grant - Drought Grant 2014 - Administration:					
RMC		27,239	473	4,071	15%
WRA		13,915	2,727	5,254	38%
Contingency		14,000	-	-	0%
Power Fire EIS					
Landmark Environmental Inc.		50,000	15,598	25,918	52%
Pumpkin Hollow Restoration Project					
Landmark Environmental Inc.		230,320	18,918	39,657	17%
WRA		18,625	2,750	5,625	30%
Contractors (TBD)		495,725	-	-	0%
TOTAL GRANT EXPENDITURES		5,384,591	61,938	141,677	3%
Total Project Expenses		5,760,201	82,109	193,961	3%



Upper Mokelumne River Watershed Authority

Agenda No: 11

Meeting Date: July 28, 2017

Title:

Executive Officer Grant Funded Quarterly Report

Recommended Action:

For information and discussion

Discussion:

The Executive Officer’s work agreement with UMRWA segregates the work into two categories; tasks related to UMRWA business that are funded by Member Agency contributions, and grant-funded or other work paid by non-Member Agency contributions. The work agreement specifies the EO is to report non-Member Agency funded work to the Board on a quarterly basis. This quarterly report reflects invoices submitted the past quarter for the grant-funded projects as displayed in the table below.

Project	Period	Work Performed	Fee
Round 2 Implementation Grant & VHR Program administration	Mar. 1 – June 30	Manage accounting and invoicing; coordinate with DWR, RMC, and Project Sponsors; manage the Vintage Home Retrofit program; finalize Performance Monitoring Plans.	\$2,940
Drought Grant administration	Apr. 1 – June 30	Manage accounting and invoicing; coordinate with DWR, RMC, and Project Sponsor AWA re revised projects and budget.	\$1,820
Pumpkin Hollow – USFS and SNC	Apr. 1 – June 33	Develop RFPs, process USFS and Landmark invoices, coordinate with Authority Counsel, Accounting, Landmark, USFS and SNC staff, and develop contract terms and draft agreements.	\$3,250