



PARADISE IRRIGATION DISTRICT

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"Paradise Irrigation District (PID) is dedicated to the business of producing and delivering a safe, dependable supply of quality water in an efficient, cost effective manner with service that meets or exceeds the expectation of our customers."

Please consider how this agenda item relates to our mission.

TO: Board of Directors

FROM: Kevin Phillips, Interim District Manager

DATE: July 12, 2018

RE: District Manager's Report

Water Rights

The District met with the Water Board staff on September 7th to discuss the District's water right applications and permit extension. We will be working with our water rights engineer and environmental engineer to restart this process.

The District is working with the Water Board staff to have our alternative compliance method approved to meet the State standards.

Paula Whealen from Wagner and Bonsignore, attended the February, 2018 Board meeting to introduce herself and provide a presentation on water rights 101.

The District selected De Novo Group on April 26, 2011 to prepare the EIR for the water right extension. The contract also included the performance of the environmental studies. The total contract was for \$306,430.00, and the District has paid \$204,558.74 on this contract. The majority of the environmental studies have been completed, but due to the amount of time that has passed, the District may have to do additional studies. The District has also changed the project because we have decided to go to license on permit 271 instead of asking for an extension.

North Lake Boat Launch Land Acquisition

The District purchased 3 acres of land next to boat launch one for \$58,055.26.

The District decided to terminate the grant agreement with the Department of Boating and Waterways.

Process Water Recycle Project

The District hired Water Works Engineering to work with the Regional Board to get the District's NPDES permit renewed. The District had a kickoff meeting on Nov 8th with Water Works Engineering and Larry Walker Engineering. The Water Board adopted the 2 year extension of the Time Schedule Order on Dec 8th for the District's NPDES permit. We had a meeting on February 13th & March 29th with Larry Walker and Water Works to discuss the preliminary research for the mixing zone study and dilution credit. The District met with the Regional Board on April 26th to kick off the renewal of the NPDES permit. The meeting was very positive and the Regional Board is currently reviewing our preliminary data and communicating with the District on what additional information may be needed to complete the NPDES permit renewal.

B Reservoir Design Project

The District has been approved for an \$800,000 SRF loan to design the B Reservoir. The District awarded the contract to Water Works Engineering during the May Board Meeting and approved the change order at the September Board meeting. The District had a workshop to approve the preliminary design report. The preliminary design was estimated to be \$11,000,000. We are working with SRF to increase our loan approval amount to cover this estimated cost. During our March 6th meeting with the County, we discussed the right-of-way issues associated with our A zone pipeline project. The county is looking into the issue to see if they can help us find the rightful owner of the Skyway. The District is going to pursue condemnation of the right-of-way and easement of the Skyway alignment for the pipeline. The District has hired Blackwater Engineering to do a preliminary search of title and to convince the County that they have a prescriptive right-of-way to the pipeline alignment.

Spillway Investigation

The District received a letter on May 17th ordering the District to conduct an extensive evaluation of both spillways. We requested an extension of the timeline from July 15th to September 1st to submit a work plan to the Department of Safety of Dams. We met with the Division of Safety of Dams on July 6th. The District submitted our work plan on both spillways on September 7th. The District hired Genterra Engineering to complete the Phase one work plan. They started field work on Nov 6th and expect the work to continue through February 2018. The District cleared trees and brush below the Magalia Dam before the Nov 1st deadline. The District met with Genterra Engineering on Apr 3rd to discuss the draft Phase one reports for Paradise Spillway and Magalia Spillway. The District has submitted the draft phase one report to DSOD for their review.

Retirement Plan Timeline

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| 7/7/2016 | Neil Essila received 457 and 401(a) plan documents |
| 7/12/2016 | Neil Essila received 457 adopting resolution |
| 12/1/2016 | Error was discovered |
| 12/21/2016 | Letter presented to Board for retirement plan audit and change retirement plan providers |
| Jan - Mar 17, 2017 | Fee Credits |
| 1/9/2017 | Neil Essila received the original proposal from Richard Maxey (Securities America) |
| 1/9/2017 | Neil Essila received the 457 application the stated that fees associated with the plan |
| 1/18/2017 | Draft RFP for retirement plan providers |
| 1/26/2017 | Finance Committee met with the employee group |
| 3/2/2017 | Rick Mootz gave a Presentation to all employees on fee calculation |
| 3/18/2017 | RFP Issued |
| 3/23/2017 | Retirement Plan Committee met |
| 4/26/2017 | Received a list of acceptable retirement plan auditors from the retirement plan committee |
| 5/18/2017 | Finance Committee met with the employee group to discuss retirement plan providers and scope of work for retirement plan audit |
| 7/15/2017 | RFP Proposal due date |
| 7/31/2017 | Retirement Plan Committee met to select the retirement Plan finalist |
| 8/14/17 - 8/17/17 | 4 Retirement Plan providers gave 1/2 presentations to the complete employee group |
| 9/19/2017 | Received audit scope of work from employee committee |
| 9/20/2017 | Board Selects new retirement plan provider |
| 10/5/2017 | District served with class action lawsuit for retirement plan fee error |
| 10/18/2017 | Board Reviews retirement plan auditor proposals |
| 11/8/2017 | District hires TWHC to audit the retirement plan fee calculations |
| 1/22/2018 | Audit was completed |
| 2/21/2018 | District accepts retirement plan audit report |
| 3/19/2018 | Retirement Plan was moved to ICMA |
| 3/26/2018 | Neil Essila received the plan documents for ICMA |
| 7/6/2018 | All work papers associated with Kevin Phillips, George Barber, Neil Essila and Greg Dobbs were turned over to the plaintiffs council for review. |
| 7/10/2018 | District attend mediation to try to resolve the lawsuit |
| 7/12/2018 | District turned over all non confidential documents associated with the retirement plan audit to the plaintiffs council |