


SOLANO COUNTY WATER AGENCY



MEMORANDUM

Agenda Item No. 7

TO: Board of Directors

FROM: David B. Okita, General Manager 

DATE: March 11, 2010

SUBJECT: March General Manager's Report

Rainfall in February was not what we would have hoped for, but at least it rained a little. For storage in Lake Berryessa, we are still behind where we were last year. We still need several more large storms to get us back to where we were last year. For our State Water Project supplies, the 3 years of drought and the dry fall conditions have resulted in a 15% allocation of contract amounts. This allocation will be reviewed in mid-March, but no major increases are expected. With a 100% Solano Project supply we do not expect any of our cities or districts to have shortages in 2010.

During the week prior to the Board meeting, I will be in Washington D.C. with a group advocating for Habitat Conservation Planning funding. The California Habitat Conservation Planning Coalition is made up of representatives of local governmental HCP sponsors, developers, and environmental organizations. We are advocating a national increase in HCP funding for planning and implementation that the Board approved last month. Also, we will be advocating coordinating the Corps of Engineers wetland permitting process with local HCP's. This permitting issue is critical to the success of our HCP as many of our covered species are wetland species (i.e. vernal pools). Also, SCWA has received considerable funding from the federal HCP funding program in the past and hopes to receive implementation funding in the future.

If you have any questions please contact me at 455-1103 or by e-mail at dokita@scwa2.com.

Mar.2010.lt7.mem

P.O. Box 349 • 6040 Vaca Station Road, Building 84
Elmira, California 95625-0349
Phone (707) 451-6090 • FAX (707) 451-6099
www.scwa2.com



Time Period Covered: February 2010

**REPORT OF CONSTRUCTION CHANGE ORDERS
AND CONTRACTS APPROVED BY GENERAL
MANAGER UNDER DELEGATED AUTHORITY**

Construction Contract Change Orders (15% of original project costs or \$50,000, whichever is less)

Construction Contracts (\$30,000 and less)

Fazzari Landscape Construction - \$2,475 - Conservation Garden Discovery Kingdom.

Professional Service Agreements (\$30,000 and less)

Roland Sanford - Putah Creek Hydrology - amendment \$460 to \$5,460.

Non-Professional Service Agreements (\$30,000 and less)

Lower Putah Creek Coordinating Committee Agreements

BSK Associates - Putah Creek Restoration grant engineering and permitting - \$90,000

Construction contracts resulting from informal bids authorized by SCWA Ordinance

Note: Cumulative change orders or amendments resulting in exceeding the dollar limit need Board approval.

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**ACTION OF
SOLANO COUNTY WATER AGENCY**

DATE: March 11, 2010

SUBJECT: SCWA Audit

RECOMMENDATION:

Accept Fiscal Year 2008/2009 audit and staff responses to management letter.

FINANCIAL IMPACT:

Cost of audit is \$21,285.

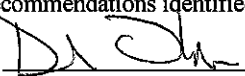
BACKGROUND:

In accordance with the State law establishing the Solano County Water Agency, an annual audit is performed. The audit was performed by the firm Macias, Gini & O'Connell. This is the second year of audit work performed by Macias, Gini & O'Connell.

The auditors gave a qualified opinion on the Independent Auditor's Report due to the non-implementation of a new Government Accounting Standard which requires reporting annual costs for retiree health benefits for employee services that have occurred. This Standard requires the Agency to calculate the unfunded actuarial accrued liability for retiree health benefits based on employee services. Presently the Agency reports the financial effects of retiree health benefits on a pay-as-you-go basis. The Agency did not calculate the actuarial accrued liability amount for the Fiscal Year 2008/2009 audit because the auditors did not notify us of the reporting requirements in a timely manner.

A qualified opinion is very similar to an unqualified or "clean opinion" but the report states that the financial statements are fairly presented except for the reporting of the financial effects of retiree health benefits.

The Board of Directors needs to consider acceptance of the audit report for fiscal year 2007-2008. Staff will implement all recommendations identified in the Management Letter accompanying the audit.

Recommended: 
David B. Okita, General Manager

Approved as recommended Other (see below)

Modification to Recommendation and/or other actions:

I, David B. Okita, General Manager and Secretary to the Solano County Water Agency, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular meeting thereof held on March 11, 2010 by the following vote.

Ayes:

Noes:

Abstain:

Absent:

David B. Okita
General Manager & Secretary to the
Solano County Water Agency
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INFORMATION ITEMS

**Solano Water Advisory Commission
Meeting Minutes
January 27, 2010**

Present: Dave Tompkins, City of Vacaville; George Hicks, City of Fairfield; Mike Hardesty, RD 2068; Jim Daniels, Solano Irrigation District; David Okita and Thomas Pate, Solano County Water Agency; Chris Tomasik, City of Benicia; Erik Nugteren, City of Vallejo; Kathy Barnes-Jones and Matt Tuggle, Solano County

The meeting was called to order at 12:35 PM.

1. Approval of Minutes

No pending minutes. SCWA volunteered to perform the duties of Secretary to the Commission and the Commission accepted.

2. SCWA General Manager's Report

David Okita provided brief updates as follows:

Lake Berryessa Storage has increased by about 100,000 AF, a significant, but normal type of increase for a winter storm event.

State Water Project Allocations are expected to be increased in Mid-February. We are currently under a 50 cfs Longfin smelt NBA pumping restriction, but demands are less than 50 cfs.

Geosmin control at Campbell Lake this year has been a success so far by a combination of treatment and dilution/dispersal by runoff.

SB 404 – Levee subventions continuation bill and a bill language to clarify area of origin concerns for the NBA will be presented to SCWA Board in February.

The Commission ratified appointments made to the LPCCC by the SCWA Board.

Procurement of the 10th pump for the NBA and associated issues are being discussed with DWR by SCWA and Napa and Solano member agencies.

SCWA is forming a Cache Slough Watershed Group to address the concern about future regulations on point and non-point runoff (including wastewater discharge) due to new fish habitat projects in Cache Slough.

There will be a water conservation presentation at the March SCWA Board meeting.

David Okita reported on Delta activities. Solano staff agreed on priorities and forwarded recommendations to Supervisor Reagan. David reported on meeting with export water contractors on local impacts of Delta projects. The Commission discussed the Delta County Coalition recommendations of Stuart Somach. There is a need to restructure and refocus the Coalition to make it more effective, but County financial constraints limit what can be done.

3. PSC/NBA Maintenance Scheduling

Spring NBA maintenance will proceed as planned.

4. Solano Water Authority Report

There was no report.

5. Urban Water Supply Planning; RD 2068 Conjunctive Use Project; SID Water Supply Availability

There was no report.

6. Emergency Coordination; Energy Curtailment and Power Outage Issues; PSC Impacts

There was no report.

7. Water Conservation and Recycling Program; Creation of a Recycled Water/Desalination Incentives Program

There was no report.

8. Legislative/Initiative/Court Decision Issues Not Discussed Above

There was no further report.

9. New Business

Dave Tompkins reported that environmental hazard identification work at the Noonan Reservoir site. Thomas Pate discussed right of way issues for the NBA Alternate Intake project in the vicinity of Noonan Reservoir site that may need to be addressed in the future.

10. Public Comments