

**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF
ARVIN-EDISON WATER STORAGE DISTRICT
June 9, 2020**

Pursuant to Executive Order N-29-20, issued by Governor Newsom on March 17, 2020, and guidance by the California Department of Public Health dated March 16, 2020, this meeting was conducted via WebEx. There was not a physical location for this meeting.

CALL TO ORDER

President Edwin Camp called to order the monthly meeting of the Board of Directors' of the Arvin-Edison Water Storage District at the hour of 12:00 p.m., with a quorum being then and there present remotely, to wit:

Edwin Camp, President
Jeffrey Giumarra, Vice President
John Moore, Secretary-Treasurer
Catalino Martinez
Dennis Johnston
Derek Yurosek
Kevin Pascoe (arrived at 12:10 p.m.)
Charles Fanucchi
Ron Lehr

District staff present:

Jeevan Muhar, Engineer-Manager
David Nixon, Deputy General Manager
Steve Collup, Director of Water Resources
Mark Dawson, Engineer*
Fernando Ceja, District Engineer*

District consultants present:

Scott Kuney, Esq., Law Offices of Young Wooldridge, LLP (arrived 12:20 p.m.)
Randy Hopkins, Provost & Pritchard Engineering Group*
Anona Dutton, EKI Consultants, Inc.*

Visitors and Guests:

Doug Gosling, Esq.* (arrived 12:45 p.m.)
George Cappello, Grimmway Enterprises*
Matt Vickery, Grimmway Enterprises*
Joseph Diageo, UMIEAAG SGMA Tech Support*
Matt Brady, South Valley Farms*
Domenick Buck, Anthony Vineyards*
Kel Mitchell, Renewable Resource Group*

RECOGNITION OF VISITORS AND GUESTS

All visitors were recognized and formally welcomed.

**Note: Departed at the start of Closed Session 1:35 p.m.*

CORRECTIONS OR ADDITIONS TO THE AGENDA OF ITEMS, AS AUTHORIZED BY GOVERNMENT CODE §54950 et seq.

Mr. Muhar noted no changes to the posted Agenda, and noted some "ground rules" associated with Webex including roll call for votes.

OPPORTUNITY FOR PUBLIC COMMENT

There were no public comments.

CONSENT AGENDA

President Camp asked if there were any questions concerning the Consent Calendar, which items were detailed with staff reports in the board packet(s). The following is the list of Consent Agenda items:

- CA-1) **Agenda Item 5:** Approval of Minutes of the Board of Directors' meeting held on May 12, 2020
- CA-2) **Agenda Item 6:** Approval of Treasurer's Report for May 31, 2020 and Delinquency List for Water Year 2019 in the amount of \$69,636

Director Johnston motioned, seconded by Director Martinez, and with the following vote to wit for two (2) Consent Agenda items:

Ayes: Camp, Giumarra, Moore, Lehr, Johnston, Fanucchi,
Martinez and Yurosek
 No: None
 Abstain: None
 Absent: Pascoe

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ACTION ITEMS

CONSIDER APPROVAL OF MEMBERSHIPS, CONTRIBUTIONS, AND/OR CALL FOR FUNDS

Mr. Nixon presented the request from Water Association of Kern County (WAKC) membership dues in the amount of \$3,135, which is based on irrigated acres, and also noted that Executive Director Beth Pandol will be stepping down at the end of the year, and WAKC will start looking for a new executive director.

Mr. Muhar further presented the Pacific Legal Foundation's request in the amount of \$10,000, an increase over the previous request of \$5,000. Director Moore motioned, seconded by Director Fanucchi, to approve WAKC in the amount of \$3,135, and Pacific Legal Foundation as the same amount as last year of \$5,000 with the following vote to wit:

Ayes: Camp, Giumarra, Moore, Lehr, Johnston, Fanucchi, Pascoe,
Martinez, and Yurosek
 Nos: None
 Abstain: None
 Absent: None

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**RESOLUTION NO. 20-14, ORDERING PAYMENT OF ACCOUNTS AND CLAIMS (May 2020
- Warrant Numbers 41824 - 41953)**

Mr. Nixon noted additional warrants totaling approximately \$338K, and two (2) semi-annual wire transfers to Banc of America (\$2.1M), which brings May disbursements to approximately \$4.5M. Mr. Nixon responded to President Camp's question about the Universal Inspection payment related to 2017 activity. Mr. Nixon then presented a form of Resolution; whereupon, Director Martinez motioned, seconded by Director Giumarra, with the following vote to wit: A copy of Resolution No. 20-14, is on file in the Resolution book and is hereby made a part of these minutes.

Ayes: Camp, Giumarra, Moore, Lehr, Johnston, Fanucchi,
Pascoe, Yurosek and Martinez
Nos: None
Abstain: None
Absent: None

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SAN JOAQUIN RIVER RESTORATION PROGRAM

Mr. Collup provided an update on the San Joaquin River Restoration Program (SJRRP) including: Restoration Allocation, URF's, Buffer Flows, Exchanges, Recapture, Recirculation, Recovered Water Account, and Restoration Flow Guidelines.

FRIANT DIVISION AND FRIANT WATER AUTHORITY (FWA)

Friant-Kern Canal Subsidence

Mr. Collup provided an update on the Friant-Kern Canal Subsidence issues, which included detailed reports in the board packet, involving a) the Capacity Correction Project, b) Financing Workshop, c) investment by Friant Contractor's resulting Zone 3 capacity, and d) Project Construction Contracting options.

Mr. Muhar reminded the Board that the District did provide comments to DWR on the Tule Basin GSP's related to subsidence concerns (copies of letters in Board packets). Mr. Muhar also noted that FWA has requested an "Interest in Financing" to address USBR concerns that all contractors are involved, ensure discussions are with the interested contractors with regards to investments, and gauge level of funding. Mr. Muhar also noted that District has engaged bond counsel to address questions about public agency flexibility with third party agreements related to funding.

Miscellaneous

Mr. Collup provided an update on various Friant issues, which included: water supply declaration increased by 5% to 60% Class 1; Dr. Scott Hamilton gave a presentation on the SJV Blueprint; FWA continues to negotiate with Reclamation on extending/renewing the FWA O&M

Agreement (through 2053) to be completed in June; title transfer work has been set to a lower priority; a revised scope of the FKC Pumpback Project has been authorized to complete 90% engineering; tracking a Westland's Water District request for a SJR diversion permit for flood flows; and annual meeting is cancelled for 2020, but Friant is still discussing a fall Board Retreat.

Friant-Kern Canal Water Quality

Mr. Muhar stated a public workshop is set for June 17, 2020 if anyone is interested (writeup included in their board packet).

AGENCY/AUTHORITY/COMMITTEE REPORTS

Kern Groundwater Authority

Mr. Muhar noted summary regarding comment letters to KGA GSP was provided in the board packets and Anona from EKI Consultants would provide additional details about such correspondence. Mr. Muhar further noted the GSA boundary changes were complete, however KGA is awaiting a meeting with State Board, to discuss the process to remove all other "white lands" that have not provided executed agreements with districts (mainly grazing lands) before proceeding with AE's GSA request.

Ms. Dutton provided a report on the comment letters submitted to the Department of Water Resources (DWR) on behalf of the KGA GSP being a total of 23 letters with only a couple letters being direct reference to Arvin-Edison's Management Area Plan. Ms. Dutton noted that Arvin-Edison has already provided a detailed response during the comment period, and in this last round of comment letters most cases have only read or focused on the KGA Umbrella GSP only. Ms. Dutton further stated the DWR will be reviewing these letters and KGA and AE are working to respond. There was a brief discussion regarding the process for responses.

Mr. Muhar stated the PPIC review of all GSPs (in their board packets) is a good read.

Kern County Water Agency - Cross Valley Canal

Mr. Muhar provided an update on a few of the Existing Canal participants in the Cross Valley Canal (CVC) that continue to have concerns regarding Integrated Canal percentages, which were agreed upon in 2006 during negotiations of CVC Operating Agreement. Mr. Muhar noted there was a model approved for optimizing the current CVC configuration to maximize the canal operations, which Existing Canal participants wishing to modify said model to reflect the Existing Canal; however, there is disagreement in the assumptions being made.

MONTHLY STAFF REPORTS

Report of District Operations

Mr. Ceja provided an update on the 2020 Water Year on water

deliveries through May including year-to-date summary, groundwater and surface supplies for the year, and groundwater level information. There was a brief discussion on current drawdown relative to historical levels.

Sunset Spreading Works Project

Mr. Muhar provided an update on Sunset Spreading (a joint partnership program with Kern Delta Water District (KDWD)), stating staff and consultants have completed the Initial Study and Mitigated Negative Declaration that is currently out for public review beginning Monday, June 8, 2020 and staff will be requesting approval of the CEQA document at the July Board meeting in order to continue the development of the project (earthwork, pump station and pipeline).

Mr. Muhar noted that in addition to CEQA there is a federal grant opportunity for the project (due on July 8, 2020) for a potential \$750K cost share, but would require NEPA and potential nine (9) month delay in the project. It was noted that KDWD staff would present the grant opportunity to their board on June 16.

OPERATIONS AND MAINTENANCE PROJECTS

Well Replacement Program

Mr. Ceja provided an update on the emergency Well Replacement construction for the two (2) new North Canal Wells (N22 and N23), which included construction completion as schedule for both pipeline and electrical contractors and both wells are expected to start up this Thursday.

CORRESPONDENCE

Mr. Muhar noted legislative reports from FWA, KCWA, and VAWC, a comment letter by a contingent of Friant contractors related to the Del Puerto Canyon Reservoir Project and specifically related to the San Joaquin River Exchange Contractor supply, and an article regarding USBR lawsuits related to westside CVP 9D contract conversions.

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL

Legal Counsel Kuney then advised the Board he would like to discuss existing litigation, and anticipated litigation, namely: Potential Litigation (One Item); NRDC vs. Conant, et al (SJRRP); Appeal of Regional Board General Order for Third Party Groups for Tulare Lake Basin (Resol #R5-2013-0120) to State Water Resources Control Board; City of Fresno, et al vs. USA, Court of Federal Claims; California Natural Resources Agency, et al, vs. Wilbur Ross, and Tejon Indian Tribe/Casino Project Negotiations; and based upon advice from Legal Counsel, discussing such matters in open session would cause prejudice to the District; therefore, the Board adjourned into closed session in accordance with Government Code Section §54956.9 at 1:35

p.m., and upon returning to open session at 2:05 p.m. Director Lehr motioned, seconded by Director Johnston, and unanimously carried to approve a Controller position under the terms discussed in Closed Session, with the following vote to wit:

Ayes: Camp, Giumarra, Moore, Lehr, Johnston, Yurosek,
Fanucchi, Pascoe, and Martinez.
Noes: None
Abstain: None
Absent: None

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OTHER ITEMS TO BE DISCUSSED PURSUANT TO GOVERNMENT CODE SECTION §54954.2 (RELATING TO ITEMS NOT APPEARING ON THE POSTED AGENDA); AND ADJOURNMENT

President Camp asked if there were any further matters that needed to be brought before the Board of Directors, and there being none; Director Moore motioned, seconded by Director Fanucchi, and by unanimous vote, adjourned the meeting at 2:10 p.m.



A handwritten signature in black ink, appearing to read "David A. Nixon".

David A. Nixon, Deputy General Manager
/Assistant Secretary-Treasurer