

**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF
ARVIN-EDISON WATER STORAGE DISTRICT
January 12, 2021**

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 only, and the public participated via WebEx.

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
Ron Lehr
Catherine Fanucchi

District staff (via WebEx):

Jeevan Muhar, Engineer-Manager
David Nixon, Deputy General Manager
Steve Collup, Director of Water Resources
Fernando Ceja, District Engineer
Mark Dawson, Engineer*
Micah Clark, Engineer Technician*
David Grant, Controller*
Sherry Jauch, Executive Secretary*

District consultants (via WebEx):

Scott Kuney, Esq., Law Offices of Young Wooldridge, LLP
Randy Hopkins, Provost & Pritchard Engineering Group*
Todd Robins, Esq., Water Law Group (closed session only)
Anona Dutton, EKI Consultants, Inc. (closed session only)
John Bezdek, Esq., Water & Power Law Group (closed session only)
Bruce McLaughlin, Esq., Power & Water Resources Pooling Authority
(closed session only)

Visitors and Guests (via Webex):

George Cappello, Grimmway Enterprises*
John Gaugel, Wonderful Orchards*
Brian Kirschenmann, Kirschenmann Farms*
Matt Vickery, Grimmway Enterprises*
Doug Gosling, Esq.*

RECOGNITION OF VISITORS AND GUESTS

All visitors were recognized and formally introduced.

**Note: Departed at the start of Closed Session 1:14 p.m.*

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

Mr. Muhar stated no changes to the posted Agenda.

OPPORTUNITY FOR PUBLIC COMMENT (Government Code §54854.3)

There were no public comments.

CONSENT AGENDA

Vice President Giumarra (Camp having technical difficulties) asked if there were any questions concerning the Consent Calendar, which items were detailed with staff reports in the board packet(s) and are listed as follows:

- CA-1) **Agenda Item 5:** Approval of Minutes of Board of Directors' meeting held on December 8, 2020
- CA-2) **Agenda Item 6:** Approval of memberships, contributions, and/or call for funds:
 - a) Kern Agricultural Foundation in the amount of \$250.00
 - b) Friant Water Authority in the amount of \$76,586.11
 - c) Family Farm Alliance in the amount of \$5,067.00
- CA-3) **Agenda Item 7:** Resolution No. 21-01, AUTHORIZING THE EXECUTION OF CONTRACT FOR TEMPORARY WATER SERVICE BETWEEN THE UNITED STATES AND ARVIN-EDISON WATER STORAGE DISTRICT

Director Martinez motioned, seconded by Director Fanucchi, and by the following vote to wit approved the three (3) Consent Agenda items:

Ayes: Giumarra, Moore, Johnston, Martinez, Yurosek,
Fanucchi, Lehr, and Pascoe
Noes: None
Abstain: None
Absent: Camp (technical difficulties)

ACTION ITEMS

Consider Approval of Treasurer's Report for December 31, 2020, Unaudited Financial Statements for Period Ending November 30, 2020, and Delinquent List for the 2019 Water Year in the amount of \$74,299.58

Mr. Nixon formally introduced David Grant, District Controller hired on December 14, 2020.

Mr. Nixon then presented the Treasurer's Report for the period ending December 31, 2020, and noted slight change in format from prior years. Nixon stated the District held cash and investments in the amount of \$31.1M. After a brief discussion, Director Lehr motioned, seconded by Director Pascoe, and by unanimous vote to wit approved the Treasurer's Report for the period ending December 31, 2020:

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

Mr. Nixon noted the Unaudited Internal Financial Statements for Year Ending November 30, 2020 and the Delinquent List included in the Board packet for their review.

Resolution No. 21-02, ORDERING PAYMENT OF ACCOUNTS AND CLAIMS (December 2020 - Warrant Numbers 42709 - 42828)

Mr. Nixon stated there was an additional batch totaling \$112K (displayed on Webex) bringing the December disbursements to approximately \$2.1M. Mr. Nixon then presented a form of Resolution; whereupon, Director Martinez motioned, seconded by Director Giumarra, and by the following vote to wit approved Resolution No. 21-02, ORDERING PAYMENT OF ACCOUNTS AND CLAIMS (December 2020). A copy of Resolution No. 21-02, is on file in the Resolution book and is hereby made a part of these minutes:

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

Resolution No. 21-03, DETERMINATION THAT NO ELECTION BE HELD ON MARCH 2, 2021, FOR DIVISIONS 1, 3, 5, AND 7 AND REQUESTING APPOINTMENT OF DIRECTORS' THEREFORE

Mr. Nixon noted the Division Director terms are set to expire at the April 2021 board meeting and stated one Nomination Petition for each division was received for Divisions 1, 3, 5, and 7 by the due date of January 4, 2021, which by statute determines that no election is to be held. The following Nomination Petitions were filed:

Division 1	Brian Kirschenmann
Division 3	Derek Yurosek
Division 5	John Moore
Division 7	Catherine Fanucchi

Mr. Nixon then presented a from of Resolution; whereupon, Director Yurosek motioned, seconded by Director Johnston and by the following vote to wit. A copy of Resolution No. 21-03, is on file in the Resolution book and is hereby made a part of these minutes:

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

RESOLUTION NO. 21-04, ADOPTING THE UPDATED KERN COUNTY MULTI-JURISDICTION HAZARD MITIGATION PLAN (Plan)

Mr. Muhar and Mr. Dawson provided a brief update stating the District adopted the original Plan 2014, and today's action item relates to the update of the same Plan. Mr. Muhar noted staff has been working with the Kern County consultants and stated this Plan allows for the District to continue to access FEMA and/or CAL OES funds, if necessary. There was brief discussion, and Director Moore motioned, seconded by Director Johnston, and unanimously carried by the following vote to wit. A copy of Resolution No. 21-04, is on file in the Resolution book and is hereby made a part of these minutes:

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

Resolution No. 21-05, APPROVING LETTER OF AGREEMENT NUMBER 21-WC-5740 FOR LONG-TERM TRANSFER OF ARVIN-EDISON WATER STORAGE DISTRICT FRIANT-KERN CANAL WATER TO KINGS RIVER DISTRICTS, CENTRAL VALLEY PROJECT, CALIFORNIA

Mr. Muhar stated this Letter of Agreement (LOA) is to authorize the USBR to complete their Environmental Assessment (EA), to allow District contract supplies to be transferred and/or exchanged with Kings River service area districts. Mr. Muhar noted the delivery point is upstream of the FKC Subsidence issues as well as upstream of the first prorate locations on the FKC (Kings River siphon). Mr. Muhar further stated this resolution also authorizes staff to execute the LOA and accompanying \$10,000 deposit for estimated USBR cost. After a brief discussion, Director Fanucchi motioned, seconded by Director Martinez, and unanimously carried by the following vote to wit. A copy of Resolution No. 21-05, is on file in the Resolution book and is hereby made a part of these minutes:

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

REPORT ITEMS

FRIANT DIVISION AND FRIANT WATER AUTHORITY (FWA)

Friant-Kern Canal Subsidence

Mr. Muhar stated the District's environmental document comments were acceptable to the Sun Pacific Farming Recharge Project, located adjacent to the FKC, and such documents are set to be approved by the Porterville Irrigation District board today.

Mr. Muhar also noted additional sensitive information regarding FKC Project funding and a potential Settlement Agreement will be discussed in closed session.

Friant-Kern Canal Water Quality

Mr. Muhar provided an update on Water Quality stating FWA staff is working with the USBR on moving forward on an implementation path on the proposed framework that limits the degradation of FKC water and also provides for mitigation, which is supported by the majority of Friant Contractors; Shafter-Wasco technical work on their position is expected this month; the framework is being incorporated into the San Joaquin River Restoration Program Recapture and Recirculation environmental documents; water quality sensors have been installed along the FKC; and the 2008 Policy revisions are being reviewed.

Miscellaneous

Mr. Muhar provided an update regarding FWA dewatering activities continue and on-schedule; Friant Operational Guidelines are being updated and one outstanding issue being the USBR would like to give a canal capacity priority to Unreleased Restoration Flows (URF) that could harm Friant contractors provided URFs can be sold to non-Friant contractors; and an updated board committee matrix noting minor changes related to Vice President Giumarra being on the FWA Finance Committee, President Camp is the new FWA Vice Chair, Director Johnston is Kern River Watershed Coalition Authority Treasurer, and including Director Fanucchi.

MONTHLY STAFF REPORTS

Water Supply Update & Report of District Operations

Mr. Ceja provided an update of snowpack relative to prior years, 2020 Water Year deliveries, Millerton Lake storage, and noted approximately 7,000 acre-feet of carryover supplies into the 2021 Water Year. Mr. Muhar noted the dry hydrology has resulted in SJRRP looking for exchanges to carryover 2020 supplies.

Mr. Ceja further reviewed a snapshot of the year-to-date delivery summary, in-district demand, groundwater and surface supplies for the year, and groundwater level information. There was a brief discussion regarding groundwater levels.

Sunset Groundwater Recharge Facility

Mr. Muhar provided an update on the current version of the Operations & Maintenance Agreement provisions and requested any feedback prior to finalizing the agreement at a subsequent meeting. There was a brief discussion regarding the agreement term.

CORRESPONDENCE

Mr. Muhar noted a legislative update from VAWC and the Ag Energy Consumers Association, and the official Engagement Letter from Barbich King Dill Hoffman Accountancy Corporation for the District's Annual Audit. There was a brief discussion regarding District audits.

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 (Three Items); PG&E WDT3 Rate Case, ER20-2878; 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; The California Natural Resources Agency, et al, vs. Wilbur Ross (Biological Opinions Intervention); Wages & Benefits; 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 1:14 p.m.

Upon returning to open session at 3:26 p.m. the following action was taken, Director Martinez motioned, seconded by Director Johnston, to approve District being a signatory to the Eastern Tule GSA and FWA Settlement Agreement as well as the FWA and District letter agreement under the terms discussed in closed session and by the following vote to wit:

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

The Board also approved the policy to provide 80 hours of COVID-19 pay to all employees under the same guidelines as the CARES Act that expired December 31, 2020.

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 Yurosek motioned, seconded by Director Martinez, and by unanimous vote, adjourned the meeting at 3:28 p.m.



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