

**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF
ARVIN-EDISON WATER STORAGE DISTRICT
February 9, 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 at 20401 East Bear Mountain Blvd., Arvin, CA 93203 with Board Members only and limited staff, 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 and remotely, to wit:

Edwin Camp, President
Jeffrey Giumarra, Vice President (via WebEx)
John Moore, Secretary-Treasurer
Catalino Martinez
Dennis Johnston
Derek Yurosek
Kevin Pascoe (via WebEx)
Catherine Fanucchi

There was one absent Director:

Ron Lehr

District staff:

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

District consultants (via WebEx):

Scott Kuney, Esq., Law Offices of Young Wooldridge, LLP
Randy Hopkins, Provost & Pritchard Engineering Group*

Visitors and Guests (via Webex):

Tim Gobler, Illume Agriculture*
Brian Kirschenmann, Kirschenmann Farms*
Matt Vickery, Grimmway Enterprises*

RECOGNITION OF VISITORS AND GUESTS

All visitors were recognized and formally introduced.

**Note: Departed at the start of Closed Session 2:10 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.

EMPLOYEE ANNIVERSARY AWARD: FORREST FRICK PUMPING PLANT OPERATOR GREG
LAJOIE FORTY (40) YEARS

Mr. Nixon recognized Mr. Lajoie and his forty (40) years of service and noted similar to past 2020 anniversaries, employees would be presented awards with the Board at another time. Mr. Nixon also shared that the District's current service award ends at thirty (30) years, and staff would discuss service award changes/recommendations in Closed Session under Wages and Benefits.

CONSENT AGENDA

Board President Camp 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 7:** Approval of Minutes of Board of Directors' meeting held on January 12, 2021
- CA-2) **Agenda Item 8:** Approval of Treasurer's Report for January 31, 2021, Unaudited Internal Financial Statements for Period Ending December 31, 2020, and Delinquent List for the 2019 Water Year in the amount of \$65,679.18
- CA-3) **Agenda Item 9:** Approval of memberships, contributions, and/or call for funds:
 - a) North West Kern Resource Conservation District in the amount of \$6,000
 - b) California Association of Mutual Water Companies in the amount of \$500
 - c) Agricultural Energy Consumers Association in the amount of \$4,625
- CA-4) **Agenda Item 10:** Approval of Repayment Agreement for Recapture of Restoration Flows in Lower San Joaquin River (Water Year 2021)

Director Martinez motioned, seconded by Director Yurosek, and by the following vote to wit approved the four (4) Consent Agenda items:

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

ACTION ITEMS

Resolution No. 21-06, ORDERING PAYMENT OF ACCOUNTS AND CLAIMS (January 2021 - Warrant Numbers 42829 - 42968)

Mr. Nixon stated there was an additional batch totaling \$341K bringing the January disbursements to approximately \$1.3M. Director Fanucchi had a question regarding "yellow pages", which Mr. Nixon responded. Mr. Nixon then presented a form of Resolution; whereupon, Director Moore motioned, seconded by Director Martinez, and by the following vote to wit approved Resolution No. 21-06, ORDERING PAYMENT OF ACCOUNTS AND CLAIMS (January 2021). A copy of Resolution No. 21-06, is on file in the Resolution book and is hereby made a part of these minutes:

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

CONSIDER APPROVAL OF GROUNDWATER SERVICE PROGRAM RATES

Mr. Dawson provided an update on the Groundwater Service Program (GWSP) performance during the 2020 calendar year rates, which involves three (3) of the five (5) landowners that have executed in-lieu contracts. Mr. Dawson noted the goals of the GWSP is to provide PWRPA power to interconnected landowner wells at a lower cost than alternatives and a provide a revenue source to the District.

Mr. Dawson then reviewed the proposed 2021 Water Year rates noting the increases to address PWRPA Wholesale Distribution Tariff 3 as well as PG&E Time of Use changes and new rates. The rates are as follows: fixed meter/PWRPA overhead charge \$137/month, demand charge \$18.6/kW, energy charge \$0.123/kWh, and District administration charge \$0. There was a brief discussion regarding the risk involved in the proposed rates relative to the unknown energy rate changes. Director Johnston motioned, seconded by Director Martinez, and by the following vote to wit approved the proposed 2021 Water Year rates for the GWSP.

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

CONSIDER APPROVAL OF CONSULTANT TASK ORDERS FOR THE 2021 WATER YEAR

Mr. Ceja provided an update on Consultant Task Orders as well as proposed rate increases (Provost & Pritchard Engineering Group, GEI Consultants, Inc., Robertson-Bryan, Inc. and EKI Consultants). There was a brief discussion and the Board took no action at time and requested staff revisit proposed rate increases and bring the agenda item back to the board in March.

REPORT ITEMS

San Joaquin River Restoration Program (SJRRP)

Mr. Collup provided an updated summary of 2020 Water Year accounting; Restoration Allocation and the projected runoff for 2021 Water Year including anticipated releases, estimated Unreleased Restoration Flows (URF), estimated Recapture/Recirculation (R/R) supplies, exchanges including a potential call on AEWS, and Arvin's share of such allocations and overall net losses to the SJRRP.

FRIANT DIVISION AND FRIANT WATER AUTHORITY (FWA)

Friant-Kern Canal Subsidence

Mr. Collup provided an update which included: Voluntary Emissions Reduction Agreement with the San Joaquin Valley Air Pollution Control District for a cost of \$101,908; approval of a MOU with Reclamation and certain Friant Districts for replacement pump stations (to be designed); and FWA submitted a letter regarding proposed O&M Billing for FKC Project Phase 1 consisting of six (6) quarterly payments amounting to \$5.6 million for the District's share.

Mr. Muhar also noted additional sensitive information regarding FKC Project funding and a potential Settlement Agreements 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. It was noted there are monthly meeting with USBR to address their concerns that include Shafter-Wasco's technical work, day to day implementation of the ledger program to be completed by FWA, Project water designations including CVC contract supplies, and next steps being proposed revisions to the 2008 guidelines.

Miscellaneous

Mr. Collup provided an update which included; new slate of officers assumed their positions in January including Cliff Loeffler as Chair and Edwin Camp as Vice Chair; Friant Operational Guidelines are out for public review and District is expected to comment by February 10 regarding the URF canal capacity priority; continuing the Airborne Snow Observation in 2021; approved annual Repayment Agreement with Friant Districts for the recapture of Restoration Flows; FWA staff continues to monitor the Exchange Contract involvement in the Del Puerto Canyon Reservoir Project to protect against potential negative impacts to Friant water users; canal dewatering and repairs successful including another treatment for Milfoil with deliveries to AEWS anticipated by this week.

AGENCY/AUTHORITY/COMMITTEE REPORTS

Kern Groundwater Authority (KGA)

Mr. Muhar and Director Pascoe provided an update on the KGA Board meeting which included; task order approvals (administration and support) with a first cash call of \$15K, Proposition 68 grant application not accepted by Department of Water Resources (DWR) that addressed construction funds but Kern wanted studies, Muhar and Pascoe requesting a scoring process on GSA/GSP projects, Data Management System vote for GEI, Executive Committee leadership changes (Chair Waterhouse/Vice Chair Morris and Pascoe remaining), boundary adjustment to be completed in mid-2021 due to DWR/SB staff change overs, Land IQ presenting to other boards, and a KGA comment letter to Buena Vista Water Storage District regarding Palms Groundwater Recovery Project (letter in packet).

Mr. Muhar further noted that a District-wide SGMA letter would be sent to all landowners/water users this month.

Kern River Watershed Coalition Authority (KRWCA)

Mr. Muhar and Director Johnston provided an update, which included; new officers (Gianquinto, Blaine, and Johnston), CVSALTS Agreement for P&O Study (10 years), \$300K billed to Cawelo Water District, Westside Water District and Buena Vista Water Storage District for 2014-2019 related items, and the Environmental community is appealing the recent court decision.

Power and Water Resources Pooling Authority (PWRPA)

Mr. Nixon noted the 2019 PWRPA Power Portfolio's carbon fuel and related use of "green" energy due to the large hydrogeneration and also shared an update will be provided next month on the PG&E WDT3 Rate Case.

Mr. Dawson provided an update on the 2020 rates of 9.34 cents/kWh, and estimated \$750K refund for 2020 power reconciliation.

MONTHLY STAFF REPORTS

Water Supply Update & Report of District Operations

Mr. Ceja provided an update of snowpack relative to prior years with an increase since last month, Millerton Lake storage, and noted approximately 11,000 acre-feet of carryover supplies into the 2021 Water Year. Mr. Muhar noted the dry hydrology has resulted in SJRRP looking for URF 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.

BoardEffects Software Presentation

Mr. Muhar provided a presentation of the BoardEffects software for board meeting packets at a cost of \$5K/year, which includes 24-hour tech support and requested feedback regarding electronic devices for the software. There was a brief discussion, and the Board unanimously agreed to purchase the software, and for staff to provide a survey regarding what type of device each Board member would prefer or if they wanted to use their own device.

Review of 2020 Milestones and Highlights

Mr. Muhar reviewed District's milestones, highlights and accomplishments for the 2020 Calendar Year. There was a discussion regarding a Strategic Plan update, which will be provided at a subsequent meeting.

Renaming a District Facility to Honor Howard Frick

Mr. Camp and Mr. Muhar presented the proposal of renaming the District Intertie Pumping Plant to honor Emeritus Howard Frick for his dedicated 45 years of service to the District. There was a brief discussion and the Board unanimously approved staff to investigate and propose plans for such renaming and associated monuments.

CORRESPONDENCE

Mr. Muhar noted a legislative update from VAWC and FWA, a Joint Powers Insurance Authority Certificate of Award to the District, a NEPA notice regarding the District's water management program with Del Puerto Water District, and a Department of Interior letter to California regarding the Tejon Tribe Casino project and request for concurrence based on the federal EIS approval.

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; Real Property Negotiations-Lease; 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 2:10 p.m.

Upon returning to open session at 4:00 p.m. the following actions were taken, Director Johnston motioned, seconded by Director Yurosek, to approve the following Resolutions under the terms discussed in closed session:

Resolution No. 21-07, AMENDMENT TO EMPLOYMENT HANDBOOK EFFECTIVE MARCH 1, 2021

Mr. Nixon presented a form of Resolution whereby Director Johnston motioned, seconded by Yurosek, and by the following vote to wit:

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

A copy of Resolution No. 21-07, is on file in the Resolution book and is hereby made a part of these minutes.

Resolution No. 21-08, ADJUSTMENT IN WAGES FOR EMPLOYEES EFFECTIVE MARCH 1, 2021

Mr. Nixon presented a form of Resolution whereby Director Johnston motioned, seconded by Yurosek, and by the following vote to wit:

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

A copy of Resolution No. 21-08, is on file in the Resolution book and is hereby made a part of these minutes.

Resolution No. 21-09, ADJUSTMENT IN SALARIES FOR EXEMPT EMPLOYEES EFFECTIVE MARCH 1, 2021

Mr. Nixon presented a form of Resolution whereby Director Johnston motioned, seconded by Yurosek, and by the following vote to wit:

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

A copy of Resolution No. 21-09, is on file in the Resolution book and is hereby made a part of these minutes.

Also, under the terms discussed in closed session Director Yurosek motioned, seconded by Director Martinez, to approve a thirty-eight (38) month office lease at 4700 Stockdale Highway, Suite 115 for Arvin-Edison, by the following vote to wit:

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


Also, the District Service Awards were modified to include a 35 and 40 year award of \$1,500 and \$2,000 respectively on the motion of Director Johnston, seconded by Yurosek, and by the following vote to wit:

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

**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 Martinez motioned, seconded by Director Johnston, and by unanimous vote, adjourned the meeting at 4:05 p.m.





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