

**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF
ARVIN-EDISON WATER STORAGE DISTRICT
April 13, 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 and limited staff 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 and remotely, to wit:

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

District staff:

Jeevan Muhar, Engineer-Manager
David Nixon, Deputy General Manager
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:

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

Visitors and Guests (via Webex):

Glen Chafin, Watts Farming Co.*
Colby Fry, Opal Fry & Sons*
Matt Vickery, Grimmway Enterprises*
Doug Gosling, Esq.*
John Gaugel, Wonderful Orchards*
George Cappello, Grimmway Enterprises*

PLEDGE OF ALLIGIANCE

The pledge of allegiance was recited.

**Note: Departed at the start of Closed Session 2:05 p.m.*

RECOGNITION OF VISITORS AND GUESTS

All visitors were recognized and formally introduced.

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.

ANNOUNCEMENT OF APPOINTMENT OF DIRECTORS BY THE KERN COUNTY BOARD OF SUPERVISORS

Mr. Nixon announced the appointment of Directors by the Kern County Board of Supervisors at their March 9 Board meeting the following Directors have been appointed to a four (4) year term expiring in April 2025, including the Oath of Office and bond requirements completed:

- Brian Kirschenmann - Division No. 1
- Derek Yurosek - Division No. 3
- John Moore - Division No. 5
- Catherine Fanucchi - Division No. 7

President Camp welcomed new Director Kirschenmann.

REORGANIZATION OF BOARD OF DIRECTORS PURSUANT TO CALIFORNIA WATER CODE SECTION §40304

Mr. Nixon stated pursuant to the Water Code, a reorganization of officers of the Board needs to be considered with the current officers being: Edwin Camp (President), Jeffrey Giumarra (Vice President), John Moore (Secretary-Treasurer), and David Nixon (Assistant Secretary-Treasurer). Director Martinez motioned, seconded by Director Johnston, and by the following vote to wit carried to reappoint the same officers:

- Ayes: Camp, Giumarra, Moore, Johnston, Martinez, Yurosek, Fanucchi, Pascoe, and Kirschenmann
- Noes: None
- Abstain: None
- Absent: None
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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 8:** Approval of Minutes of Board of Directors' meeting held on March 9, 2021 and approval of the Special Board of Directors' meeting held on March 29, 2021.
- CA-2) **Agenda Item 9:** Approval of Treasurer's Report for March 31, 2021, and Delinquent List for the 2019 Water Year in the amount of \$52,402.66.
- CA-3) **Agenda Item 10:** Approval of memberships, contributions, and /or call for funds:
 - a) Friant Water Authority in the amount of \$76,586.11
 - b) California Farm Water Coalition "Cultivate California" in the amount of \$3,000

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

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

ACTION ITEMS

Resolution No. 21-12, ORDERING PAYMENT OF ACCOUNTS AND CLAIMS (March 2021 - Warrant Numbers 43105 - 43246)

Mr. Nixon stated there was an additional batch totaling \$55K bringing the March disbursements to approximately \$2.6M, and noted the reconciliation of the Metropolitan Water District power rates (2017, 2018, & 2019 Water Years) in the amount of \$490K. Mr. Nixon then presented a form of Resolution; whereupon, Director Johnston motioned, seconded by Director Martinez, and by the following vote to wit approved Resolution No. 21-12, ORDERING PAYMENT OF ACCOUNTS AND CLAIMS (March 2021). A copy of Resolution No. 21-12, is on file in the Resolution book and is hereby made a part of these minutes:

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

CONSIDER APPROVAL OF 2021 WATER SUPPLY

Mr. Muhar presented slides of the water supply conditions with little to no snow pack in San Joaquin River Watershed year-to-date being lower than it was in 1977 and the extremely low storage in Millerton Lake. Mr. Muhar provided a summary of assumed five (5) month (May through September) demands, well production, available surface water supplies and ending groundwater balances after 2021 Water Year.

Provided the surface water uncertainty given extreme drought conditions, staff recommended instituting a five (5) month Prorate of 1.6 acre-feet per acre, waiving \$100 per acre Standby Charge, use of farming units across the entire District, reallocation pools with no District fees, tiered penalties, and no pump-ins for May. There was a long discussion regarding program details and the Directors requested staff submit a letter to all water users detailing such conditions. Director Martinez motioned, seconded by Director Johnston, and by the following vote to wit, approved staff's recommendations; including but not limited to, the five (5) month (May through September) 2021 Water Year Prorate Program of 1.6 acre-feet per acre, first reallocation pool price of \$400 per acre-foot, and no pump-ins at this time:

Ayes: Camp, Giumarra, Moore, Johnston, Martinez, Yurosek,
 Fanucchi, Pascoe, and Kirschenmann
 Noes: None
 Abstain: None
 Absent: None
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CONSIDER APPROVAL OF SUNSET GROUNDWATER RECHARGE FACILITY OPERATION AND MAINTENANCE AGREEMENT

Mr. Muhar presented the "Sunset Groundwater Recharge Facility Operation and Maintenance Agreement," (Sunset Agreement) between Kern Delta Water District and AEWSO, which included construction of facilities, operation, maintenance, and replacement (OM&R) of facilities, cost allocations, transportation of water in the Eastside Canal, indemnifications, insurance requirements, and additional terms as outlined in the agenda report. Mr. Muhar stated staff and legal counsel are recommending the approval of the Sunset Agreement. There was a brief discussion, and Director Fanucchi requested additional language regarding contract bid approvals. Director Fanucchi motioned, seconded by Director Giumarra, and by the following vote to wit approved the Sunset Agreement contingent upon contract language changes by staff and legal counsel:

Ayes: Camp, Giumarra, Moore, Johnston, Martinez, Yurosek,
 Fanucchi, Pascoe, and Kirschenmann
 Noes: None
 Abstain: None
 Absent: None
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CONSIDER APPROVAL OF "AMENDMENT TO MEMORANDUM OF UNDERSTANDING FOR JOINT USE OF AE INTAKE CANAL BETWEEN ARVIN-EDISON WATER STORAGE DISTRICT AND KERN DELTA WATER DISTRICT"

Mr. Muhar noted upon approval of the Sunset Agreement a 2004 Memorandum of Understanding between Arvin-Edison (AE) and Kern Delta Water District (KD) needs to be amended so language between both documents is consistent, and specifically, with regards to reciprocal

wheeling fees, if any, within AE or KD facilities. Director Pascoe motioned, seconded by Director Yurosek, and by the following vote to wit approved the Amendment to the MOU for Joint Use of AE Intake Canal between AE and KD:

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

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REPORT ITEMS

San Joaquin River Restoration Program (SJRRP)

Mr. Muhar provided an updated summary of 2021 Water Year accounting consisting of a Critical High Restoration Allocation and anticipated releases, estimated zero Unreleased Restoration Flows (URF), estimated minimal Recapture/Recirculation (R/R) supplies, and a call of 7,000 acre-feet of URF exchanges on AEWSD's 2016 agreement (that would result in an additional 21,000 acre-feet from the SJRRP), 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. Muhar stated a Special Board meeting has been scheduled for April 15 to request approval of the "Cost Share Agreement" (CSA) between FWA and the USBR, which delineates project construction activities related to bidding, contracting, construction, management, funding, and payments related to the subsidence correction project. There was a brief discussion regarding FWA and several districts reaching agreement on a Memorandum of Understanding addressing concerns, removal of Zone 3 language from the CSA, additional USBR changes to the CSA that appear to be non-issues, and the May FWA Board Meeting to approve the \$50 million contribution from Friant contractors through the O&M budget process.

It was noted that additional details on the CSA would be discussed in closed session.

Miscellaneous

Mr. Muhar provided a verbal update which included; Friant Operational Guidelines approved by the USBR; FWA and other agencies jointly submitted a comment letter to State Water Board regarding their Climate Change and Drought recommendations; SB559 (FKC money) is gaining momentum given the inclusion of California Aqueduct and Delta-Mendota Canal; multiple request to the Governor to declare a Drought Emergency that could provide some operational flexibility as well as financial

assistance; Senate requesting shovel ready projects with District submitting on five (5) projects (Sunset Spreading and Groundwater Pipelines). Mr. Muhar shared a digital copy of the Friant-Kern Canal dewatering brochure and stated a copy would be submitted to Landowners/Water Users.

AGENCY/AUTHORITY/COMMITTEE REPORTS

Kern Groundwater Authority (KGA)

Mr. Muhar provided an update on the KGA Board meeting which included: Climate Change letter to State Board was submitted; audit scheduled; monitoring network changes were approved; and a short presentation of the second annual report that was submitted on April 1 (covering activating from October 2019 through September 2020).

Kern County Water Agency - Cross Valley Canal (CVC)

Mr. Muhar provided an update on CVC Advisory Committee activities which included; New Vice Chair Bartel (replacing Averett); continue to work through understanding and addressing hydraulic issues; discharge piping siphon fabrications to improve reverse flow; a task order for \$95K approved for updating the existing modeling to maximize capacity and freeboard without creating pump submergence issues.

MONTHLY STAFF REPORTS

Report of District Operations

Mr. Ceja reviewed the year-to-date delivery summary, in-district demand, groundwater and surface supplies for the year, wellfield activities, and groundwater level information. Mr. Muhar noted North Canal Spreading Works area is showing some subsidence and needs to be closely monitored.

Proposition 218 Update

Mr. Nixon noted the Board approved moving forward with a Proposition 218 Election with an initial \$32 per acre increase for 2021/2022 tax year (with maximum of \$50 per acre), and also approved increase on all lands (including sub-acres and less than 10 acre "ranchettes"). Mr. Nixon also noted, and legal counsel Kuney confirmed, the District would not be held to a five (5) year cap and after reaching the maximum proposed increase of \$50 per acre, the District could index the General Project charge, if necessary, to address inflation using a CPI index if the Engineer's Report could support such. Mr. Nixon stated he and Mr. Muhar will be communicating to landowners including scheduling workshops; if necessary, to educate them of this decision.

Winter Maintenance Activities

Mr. Krauter reviewed a PowerPoint presentation of the 2020 Annual Winter Maintenance activities highlighting the planning activities throughout the year and the completion of various duties and repairs that involved both staff and subcontractors. Mr. Krauter also summarized the costs of the 2020 Winter Maintenance and compared such against a 10-year historical cost. Mr. Krauter also reported status of Forrest Frick Pumping Plant Unit #3 motor and pump repairs.

Grants

Mr. Muhar provided an update that the Forrest Frick Pumping Plant Pipeline and Eastside Canal Intertie (\$500K grant), which Intertie would provide Intake Canal water deliveries into the Sunset Groundwater Recharge Facility, NEPA documentation will qualify for a categorical exemption; one outstanding grant application with NRCS for Tejon Pipelines is anticipated in April, but the USBR grant for DiGiorgio expansion was denied. Mr. Muhar further stated Groundwater Service Area Pipeline Mitigated Negative Declaration CEQA is out for public comment and could be set for approval at the May Board meeting.

Bakersfield Office

Mr. Nixon provided an update on the new office, which move will take place on April 14 with five (5) employees, and notices will be mailed to landowners, water users, and other interested parties.

CORRESPONDENCE

Mr. Muhar noted legislative updates from FWA and Kern County Water Agency.

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 (Two 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 (Irrigated Lands Program); City of Fresno, et al vs. USA, Court of Federal Claims; The California Natural Resources Agency, et al, vs. Wilbur Ross (Biological Opinions Intervention); Rosedale-Rio Brave Water Storage District et al. v. Kern County Water Agency et al, (Cross Valley Canal); 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 2:05 p.m. Upon returning to open session at 3:25 p.m. no reportable action was taken.

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 Pascoe, and by unanimous vote, adjourned the meeting at 3:30 p.m.



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