

**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF
ARVIN-EDISON WATER STORAGE DISTRICT
December 12, 2023**

President 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., at District Headquarters, at 20401 East Bear Mountain Boulevard, Arvin, California, with a quorum being then and there present to wit:

CALL TO ORDER

Edwin Camp, President
Dennis Johnston, Secretary-Treasurer
Catalino Martinez
Matthew Vickery
Scott Spitzer

There was four absent Directors:

Jeffrey Giumarra, Vice President
Derek Yurosek
Catherine Fanucchi
Brian Kirschenmann

District staff:

Jeevan Muhar, Engineer-Manager
David Nixon, Deputy General Manager
Samuel Blue, Resource Manager
David Grant, Controller*
Mark Dawson, Engineer*

District Consultants:

Joseph Hughes, Esq., Klein DeNatale Goldner, LLP
Randy Hopkins, Provost & Pritchard Engineering*

Visitors and Guests:

Vincent Sorena, Global Ag Properties*
David James, Local Union 501(via remote)*
Sonia Lemus, SJV Water (Via Remote)*
Brad (Via Remote) *

PLEDGE OF ALLIGIANCE

The pledge of allegiance was recited.

RECOGNITION OF VISITORS AND GUESTS

All visitors were recognized and formally introduced.

Note: *Departed at start of Closed Session at 1:54 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 AWARDS; UNIT CHIEF ALEX ROSALAS SR. THIRTY-FIVE (35)
YEARS

Mr. Nixon stated that Mr. Rosalas could not attend today's meeting but will receive his service award on Friday, December 15 for his 35 years of service (\$1,200 gift card).

CONSENT MATTERS

President Camp noted items listed on the Consent Agenda are considered routine and non-controversial by staff and will be approved by one motion. The following items were listed on the Consent Agenda, which items were detailed with staff reports in the Board packet:

7. Approval of Board of Directors' meeting dates for Calendar Year 2024.
8. Approval of Minutes of the Board of Directors meeting held on October 10, 2023.
9. Approval of Treasurer's Report for October 31 and November 30, 2023, Unaudited Financial Statements for Period Ending October 31, 2023, and Delinquency List in the amount of \$15,759.36.
10. Resolution No. 23-26, APPROVAL OF UPDATED WATER MANAGEMENT PLAN.
11. Approval of Memberships/Contributions/Call for Funds:
 - a) Friant Water Authority in the amount of \$66,564
 - b) Association of California Water Agencies in the amount of \$26,490
 - c) Kern Ag Foundation in the amount of \$250
 - d) California Farm Water Coalition in the amount of \$10,000
12. Approval of sunset Groundwater Recharge Facility Pump Station Overhead Electrical Service Project (\$355k)
13. Approval of Frick Unit Contract

Director Johnston motioned, seconded by Director Martiez, and unanimously carried to approve those seven Consent Agenda items.

ACTION ITEMS

CONSIDER APPROVAL OF PRELIMINARY WATER YEAR 2024 BUDGET AND WATER
CHARGES

Mr. Grant presented a detailed preliminary Water Year 2024 Budget and Water Charges, which was included in the Board packets, and noting the public has been notified of the preliminary rates a month early as approved by the Board of Directors' at the October meeting. Mr. Grant

noted that the fixing of final rates and final budget is scheduled to be presented at the January 2024 meeting. Staff has proposed an increase of approximately seven percent (7%) to the "Water Use" and "Energy" Charges for the 2024-25 Water Year. Director Martinez requested a change to Exhibit 13B (budgeted items approved and not necessary for future Board approval), which modified the threshold for items to be brought back to the Board that are greater than \$100,000 and more than 25% of the budgeted amount. This change will be made for the final budget.

After a long discussion including reserve amounts, financing for SGMA capital projects, re-initiating the Well Replacement Program, grant funds, ending reserve balance, no proposed increase to General Project Service charges, Director Vickery motioned, seconded by Director Johnston, and unanimously carried to approve the preliminary Water Year 2024 Budget.

Resolution No. 23-27, ORDERING PAYMENT OF ACCOUNTS AND CLAIMS (October 223 - Warrant Numbers 47865-48015)

Mr. Grant reported on October disbursements totaling approximately \$2.9M, noting payments for power costs, debt interest, Friant, Class I and other water supplies, and ACWA/JPIA General/Auto/Liability costs during the month.

Mr. Grant then presented a form of Resolution; whereupon Director Martinez motioned, seconded by Director Vickery, and unanimously carried to approve Resolution No. 23-27, ORDERING PAYMENT OF ACCOUNTS AND CLAIMS (October 2023). A copy of Resolution No. 23-27 is on file in the Resolution book and is hereby made a part of these minutes.

Resolution No. 23-28, ORDERING PAYMENT OF ACCOUNTS AND CLAIMS (November 223 - Warrant Numbers 48016-48278)

Mr. Grant reported on November disbursements totaling approximately \$3.9M, noting payments for Banc of America debt, water rights fees, Friant, power costs, USBR Recapture Water and Restoration, and Pump Replacement Program expenses during the month. Mr. Grant further presented the debt service schedule.

Mr. Grant then presented a form of Resolution; whereupon Director Martinez motioned, seconded by Director Vickery, and unanimously carried to approve Resolution No. 23-28, ORDERING PAYMENT OF ACCOUNTS AND CLAIMS (November 2023). A copy of Resolution No. 23-28 is on file in the Resolution book and is hereby made a part of these minutes.

Consider Approval of Kern Subbasin SGMA Cost Sharing of Four Items (\$70K)

Mr. Muhar reviewed the Kern Subbasin SGMA activities for cost sharing (four Items) between twenty-two (22) Basin "parties", which are detailed in the Board packet, and include Groundwater Sustainability Plan revisions with multiple consultants (\$1.3M or \$59,091/each) 2024 Point of Contact Agreement with Rincon (\$120k or \$5,455/each), 2024

Data Management System Task Order with GEI (\$46,200 or \$2,100/each), and Annual Report Task Order with Todd Groundwater (\$72k or 3,273/each). Mr. Muhar noted that Buena Vista Water Storage District has agreed to be the fiscal agent to collect funds as well as make payments, subject to approval by the basin participants. Mr. Muhar stated that staff recommends the Board approve four (4) items associated with SGMA cost sharing activities including the execution of the various documents as needed. Director Martinez motioned, seconded by Director Vickery, and unanimously carried to approve the four (4) items of up to \$70k and the execution of the various documents as needed.

REPORT ITEMS

AGENCY/AUTHORITY/COMMITTEE REPORTS

Friant

Mr. Muhar provided an update on Friant stating additional details have been provided in the Board packet. Mr. Muhar shared a drone video related to the Friant-Kern Canal construction activities with completion projected by January 2024 and noted that the Friant-Kern Canal reach immediately upstream of Phase 1 has experienced accelerated subsidence since the initial projections, which could restrict flow by 400 cfs but investigations are on-going. Director's Martinez and Spitzer shared their experience and feedback from the Friant retreat.

South of Kern River (SOKR) Groundwater Sustainability Plan (GSP)

Mr. Muhar provided updates on the on-going Kern Subbasin activities, of which additional details are included in the Board packet.

White Wolf Subbasin GSA

Mr. Muhar noted details have been provided in the Board packet (EKI Technical Presentation and Water Level Maps for November 2023).

STAFF REPORTS

District Operations

Mr. Blue reviewed year-to-date delivery summary, historical deliveries, in-district demand, spreading including on-farm recharge, groundwater levels, and rainfall/snowpack info.

Mr. Muhar stated he continues to work with other agencies on water management programs to maximize spreading including on-farm recharge efforts.

Summary of Grants and On-going Projects

Mr. Blue presented a brief update of on-going grants and

projects, which included the Groundwater Model, two new wells, Eastside Canal Intertie, Frick Unit, SGMA Monitoring Well Work, Sunset Groundwater Recharge Project, DiGiorgio Phase 2, and Sandrini Unit. Mr. Muhar noted the Sandrini Unit design hydraulics have limited the proposed service areas; however, these areas can be served from other pipeline extensions and can be pursued accordingly.

Electrical Distribution System Update

Mr. Dawson presented a detailed update on the District-wide Distribution System, noting the cost savings are anticipated with this Project will be quantified in the ongoing analysis of the power consultant and financing team (additional details included in the Board packet). Mr. Dawson noted the positive reaction from PG&E regarding the District's larger load connection proposal with no PG&E system impacts and minimal improvements for service from the Wheeler Ridge substation.

CORRESPONDENCE

Mr. Muhar noted Legislative updates for Kern County Water Agency Friant Water Authority, and Ag Energy Consumers Association. Also, the Department of Water Resources determinations for 17 Non-Critically Overdrafted Basins (which included White Wolf Basin), and Joint Powers Insurance Authority's "President's Special Recognition Award."

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL

Legal Counsel Hughes then advised the Board he would like to discuss existing litigation, and anticipated litigation, namely:

Potential litigation (Three Items);
Arvin-Edison WSD vs. J.R. Simplot, et al (123TCP);
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 (Resolution #R5-2013-0120) to State Water Resources Control Board (Irrigated Lands Program);
City of Fresno, et al v. USA, Court of Federal Claims;
The California Natural Resources Agency, et al, v. Wilbur Ross (Biological Opinions Intervention);
Rosedale-Rio Brave Water Storage District et al. v. Kern County Water Agency et al, (Cross Valley Canal);
Real Property Negotiations (Government Code §54956.8);
Public Employment (Government Code §54957)

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 1:55 p.m. Upon returning to open session at 3:04 p.m., there was no reportable action.

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 the meeting was adjourned at 3:05 p.m.



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