

JAMES IRRIGATION DISTRICT

BOARD OF DIRECTORS - REGULAR MEETING

MINUTES September 14, 2021

ATTENDANCE

DIRECTORS PRESENT

Riley Chaney, President
Jeremy Hughes, Vice-President
Robert Motte, Secretary-Treasurer
Robert Barcellos, Assessor
Micah Combs

EXCUSED

None

ABSENT

None

STAFF PRESENT

Manny Amorelli, General Manager
Walter Flores, Office Manager
Donna Hanneman, Executive Assistant
Kenneth Mancini, Superintendent
(Arr. 10:13 a.m.)

PUBLIC / CONSULTANTS

- WILCOX HOKOKIAN BAINS & DILL, LLC
Vicki Hokokian, CPA (10:05-10:38 a.m.)
- WHITE PINE RENEWABLES
Dylan Dupre (Zoom)
- WATER WISE
Kristi Robinson (Zoom)
- McMULLIN AREA GROUNDWATER SUSTAINABILITY AGENCY
Matt Hurley, General Manager (Zoom)

LEGAL COUNSEL

- YOUNG WOOLDRIDGE, LLP
Alan F. Doud, Esq. (Zoom)

I. CALL TO ORDER

A Regular Meeting of the Board of Directors of JAMES IRRIGATION DISTRICT was held Tuesday, September 14, 2021, in the District office located at 8749 Ninth Street, San Joaquin, California. The meeting was called to order at 10:06 a.m., by President, Riley Chaney. A quorum was at all times present and acting.

This meeting was conducted in accordance with the Governor's Executive Order N-29-20 and the declared State of Emergency as a result of the threat of COVID-19 virus pandemic. Members of the public were encouraged to access the meeting via internet/Zoom to allow them to fully participate in the meeting without having to be present.

II. OTHER BUSINESS / PUBLIC COMMENTS

A. PUBLIC COMMENTS

None.

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B. MOMENT OF SILENCE

A moment of silence was observed to honor the passing of MILDRED C. PETTIT (1917-2021) landowner and former long-time resident & business operator (Anderson's Market) who passed away August 29th at nearly 104 years of age.

C. ADDITIONS / CORRECTIONS TO THE AGENDA

There were no corrections/additions to the Agenda.

D. POTENTIAL CONFLICTS OF INTEREST [FPPC §87105]

Directors were given an opportunity to identify potential conflicts-of-interest with items appearing on the Agenda.

- ▶ Director Robert Motte declared he had a conflict-of-interest in association with Closed Session Agenda Item XIII.C., Fresno County APN #030-370-32s, and stated he would be recusing himself from discussing and/or initiating any action as the subject property is owned by his father's trust.

III. BOARD OF EQUALIZATION MEETING

General Manager, Manny Amorelli, stated the Board of Directors would convene as a Board of Equalization from the hours of 10:00 a.m.-12:00 p.m. to hear public comments regarding the 2021-2022 assessments which were available for review. Members of the public will be recognized between Agenda items throughout the course of this meeting. Action will be taken at the end of the meeting to levy annual assessments against lands within the District in accordance with California Water Code §25650.

IV. MINUTES

A. REGULAR MEETING: AUGUST 10, 2021

B. SPECIAL MEETING: AUGUST 16, 2021

M/S/C (M.COMBS / J.HUGHES), to APPROVE as written by the following vote:

AYES: 5 (M.Combs, J.Hughes, R.Barcellos, R.Motte, R.Chaney)

V. TREASURER'S REPORT

In accordance with Water Code §24273, Mr. Amorelli presented reports as follows:

A. FINANCIAL REPORTS

1. Interim Warrants: August 11-September 14, 2021 (Att.1)

2. Accounts Payable (Att.2)

Interim Warrants (bills paid) with supporting invoices and Accounts Payable invoices (unpaid bills) were presented for review/approval. M/S/C (M.COMBS / J.HUGHES), to RATIFY/APPROVE

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Interim Warrants totaling \$1,408,673.49 and AUTHORIZE/APPROVE payment of Accounts Payable totaling \$452,744.90 by the following vote:

AYES: 5 (M.Combs, J.Hughes, R.Barcellos, R.Motte, R.Chaney)

3. Payroll Certification: Pay Periods Ending August, 2021 (Att.3)

A listing of payroll checks totaling \$75,990.16 (net) issued to employees and Board members for pay periods ending August, 2021, was reviewed and certified by the President, General Manager and Office Manager.

4. Income Statements (Budget-to-Actual): Period Ending August 31, 2021

5. Cash Position Report: August 31, 2021

6. Accounts Receivable Activity Report: August 31, 2021

B. FISCAL AUDIT: MARCH 1, 2019-FEBRUARY 29, 2020

Auditor, Vicki Hokokian, CPA, Wilcox Hokokian Bains & Dill, LLC, apologized for the delay in providing audit reports due to the COVID19 pandemic. She reviewed the "Audited Financial Statements & Other Financial Information" reports in detail for the fiscal period March 1, 2019-February 29, 2020, and commented as follows:

- ▶ Monitor the budget-to-actual, especially water and power costs as these two items are very dynamic and are subject to the greatest fluctuations depending upon CVP allocations.
- ▶ Water availability is a concern. Given the current state of the economy, normal operating revenues might be insufficient to provide the funds necessary to meet the District's obligations. She recommended the Board continue to establish a plan, which includes other resources beyond its normal operating revenues, to meet future obligations.
- ▶ She complimented District staff on their work.

▶ ACH (Electronic) Payments

At the Board's request, Mrs. Hokokian discussed implementing ACH (Automatic Clearing House) payments via the District's website. She acknowledged the popularity and convenience of electronic payments. She expressed concern, however, that under the District's current banking arrangements, the District's bank routing & account numbers would have to be given to each payer. Should the Board elect to proceed, she suggested utilizing a separate account for protection. The Board would have to analyze the cost-benefit. Additionally, security and liability issues must be weighed.

Following discussion, the Board expressed their appreciation to Mrs. Hokokian and her staff. Mrs. Hokokian then exited the meeting.

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VI. GENERAL MANAGER'S REPORT

Mr. Amorelli presented his verbal report encompassing operations, maintenance, projects and other District matters for the month of August, 2021, as follows:

OPERATIONS

- ▶ Water Deliveries: August, 2021 - Water deliveries for the month of August were 6,423 acre-feet which is 365 acre-feet less than was delivered during August, 2020. The fiscal year-to-date total deliveries are at 42,673 acre-feet which is 644 acre-feet more than was delivered at this time during the last fiscal year.
- ▶ Weekly TDS Readings: September 6, 2021
- ▶ U.S.B.R. / Central Valley Project
 - Allocations remain at zero to North- and South-of-Delta agricultural contractors.
 - Mendota Pool
 - Pumping reports (TDS, electroconductivity) for the Mendota Wildlife Area, Delta-Mendota Canal Check#21, and Mendota Pool Degradation through August 31, 2021, were reviewed.
 - Mendota Pool Group (MPG) met August 31st and is continuing to address water quality issues.
 - Water Hyacinth
 - BioMarine treated the water hyacinth from P Booster to the railroad trestle. Results have been positive.
 - Hyacinth Control coordinating meetings continue with the USBR, San Luis & Delta-Mendota Water Authority, California Department of Boating & Waterways. A great deal of interest has been shown in working to control growth.
- ▶ Kings River Water Association
 - KRWA Storage Operations in Pine Flat Reservoir as of July 31, 2021, totaled 2,272 CFS-days, or approximately 4,506 acre-feet in the District's 20,000 acre-feet share of storage space in Pine Flat Reservoir. Due to the drought, the District has not been able to take any Kings River water this year.

AGENCIES

- ▶ Kings River Water Quality Coalition / Policy Committee will be meeting September 20th at 1:30 p.m.
- ▶ Kings Basin Coordinating Committee met August 20th.
 - Developing a website to inform the public; hoping to counter adverse publicity.
 - MAGSA applied for a temporary right to divert floodwater for the upcoming year.

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- ▶ Kings River Conservation District - Met with General Manager, Dave Merritt, on September 9th to discuss the on-farm recharge project facilities.
- ▶ McMullin Area Groundwater Sustainability Agency (MAGSA)
 - Met with Matt Hurley, General Manager, on August 25th to explore water banking. Tranquillity Irrigation District also met with MAGSA and declined to participate.
- ▶ National Resource Conservation Districts is meeting quarterly and hope to get James Resource Conservation District involved.

ADMINISTRATIVE ITEMS

- ▶ Proposition 218 Increasing Assessments
 - Public Outreach meetings are scheduled for September 15th at 10:00 a.m. and September 22nd at 3:00 p.m. Notices have been mailed, e-mailed and posted to the District's website. Ballots are scheduled to be counted at the next Regular Meeting on October 12th.
 - If landowners pass the increase, the Board will need to again convene as a Board of Equalization addressing the new assessment rate, notice published twice in accordance with California Water Code §25550-25559.
- ▶ Pistachio Huller, San Joaquin - Jasbir Sran is seeking to build a pistachio hulling plant in San Joaquin. Preliminary research is being done and he inquired if the District would consent to taking their processed wastewater.
 - Question was raised: Does the James GSA have any jurisdiction in the matter? Referred to the James GSA Board of Directors for determination.

VII. SUPERINTENDENT'S REPORT

Mr. Mancini reported:

- ▶ Basic fall maintenance activities are under way.
- ▶ 2022 Water Supply is being evaluated.
- ▶ Water Hyacinth - There is a blockage problem between James ID/P Booster and Highway 180, possibly exacerbated by a sand bar. Mr. Mancini indicated we must keep pressure on other agencies to address the growth problem.

VIII. DIRECTORS' REPORTS

None were presented.

IX. ACTION ITEMS

A. SOLAR PROJECT: WHITE PINE RENEWABLES (03/09/2021)

Dylan Dupre of White Pine Renewables reported PG&E approved our contract. Connection locations had to be changed. The 5MW project was split into two installations, one 4MW and one 1MW. This split eliminated an estimated \$3 million cost for a line upgrade had the single project remained at 5MW. Each installation will be metered separately and can be integrated without modification to the PG&E system. He is working to fast-track the application and is

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optimistic the project should be operational the first quarter of 2022. There will be no change in the price of KWH delivered. These changes will require redrafting contracts. There will be two metering groups which allows more flexibility. All meters can now be included, including the office. Now that PG&E has approved, we should see the project progress.

X. REPORT ITEMS

A. CAPITAL IMPROVEMENT PROJECTS (07/28/2021)

- ▶ Mr. Amorelli noted Provost & Pritchard Consulting is working on a project estimate for replacement of the Main Canal boosters.
- ▶ Test wells are being drilled soon.

B. HEAVY EQUIPMENT PURCHASE(S) (08/10/2021)

Discussed possible heavy equipment purchase(s). Quotes were distributed. The Board commented as follows:

- ▶ Excavator: Obtain a quote for a wheeled Caterpillar excavator. Would not have to be loaded onto a lowbed for transport.
- ▶ Backhoe: It was the unanimous consensus of the Board to purchase one (1), new Case Tractor Loader Backhoe 590SN 4WD T4 Final at a cost of \$142,659.53.
- ▶ Field Forklift: Obtain a quote
- ▶ Welder Truck: Sell 2020 Chevrolet welder truck? Welder was never mounted on the flatbed. Mr. Amorelli will contact H&J Chevrolet for assistance and report.

ADJOURNED TO CLOSED SESSION AT 11:35 P.M.

Directors Attending:

Riley Chaney, President

Jeremy Hughes, Vice-President

Robert Motte, Secretary-Treasurer

Robert Barcellos, Assessor-Collector

Micah Combs, Director

Staff Attending

Manny Amorelli, General Manager

Legal Counsel

• Young Wooldridge, LLP

Alan F. Doud, Esq. (Zoom)

XI. CLOSED SESSION: GOVERNMENT CODE §54956.9 - CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION

4 CASES

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XII. CLOSED SESSION: GOVERNMENT CODE §54956.9 - CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION

A. AS DEFENDANT: 2 CASES

1. NATURAL RESOURCES DEFENSE COUNCIL, ET AL, V BERNHARDT, ET AL
U.S. District Court for the Eastern District of California
Case No. 1:5-CV-01207LJO-GSA
2. CENTER FOR BIOLOGICAL DIVERSITY, RESTORE THE DELTA AND PLANNING & CONSERVATION LEAGUE V UNITED STATES BUREAU OF RECLAMATION ET AL (06/08/2021)
United States District Court, Eastern District of California
Case No. 1:20-cv-00706 DAD-EPG

B. AS PLAINTIFF: 4 CASES

COUNSEL ALAN DOUD CITED A CONFLICT-OF-INTEREST AND WAS NOT PRESENT DURING DISCUSSION OF ITEMS 1 & 2, BELOW.

1. KINGS RIVER WATER ASSOCIATION ET AL V. JAMES VERBOON ET AL
Kings County Superior Court, Case No. 15 C0304
2. JAMES IRRIGATION DISTRICT VS. KINGS RIVER WATER ASSOCIATION ET AL
Fresno County Superior Court Case No. 19CECG00769
3. JAMES IRRIGATION DISTRICT V. WESTLANDS WATER DISTRICT
Fresno County Superior Court Case No. 20CECG00688

ALTHOUGH EARLIER DECLARING A POTENTIAL CONFLICT-OF-INTEREST, DIRECTOR ROBERT MOTTE REMAINED PRESENT AS THE FOLLOWING MATTER WAS NOT DISCUSSED.

4. FRESNO COUNTY APN 030-370-32S
Eminent Domain proceedings for District wellsite on property owned by the Frank V. Motte Testamentary Trust

C. AS INTERVENOR: 1 CASE

1. CITY OF FRESNO, ET AL V. UNITED STATES OF AMERICA
United States Court of Federal Claims, Case No. 1:16-CV-01276-MCW

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XIII. CLOSED SESSION: GOVERNMENT CODE §54956.8 - CONFERENCE WITH REAL PROPERTY NEGOTIATOR

A. JAMES & TRANQUILLITY NEGOTIATIONS

Negotiating Parties: James Irrigation District: General Manager/Designee

Tranquillity Irrigation District: Danny Wade

Kings River Lower River Units: Scott Sills

Under Negotiation: Price, terms & conditions of possible real property and/or water supply transactions

B. KINGS SUBBASIN GROUNDWATER RECHARGE EFFORTS (12/11/2018)

Negotiating Parties: James Irrigation District: General Manager/Designee

McMullin Area GSA Landowners: Various

Under Negotiation: Price, terms & conditions of possible real property and/or water supply transactions

C. FRESNO COUNTY APN #030-370-32S (05/11/2021)

Negotiating Parties: James Irrigation District: General Manager/Designee

Landowner: The Frank V. Motte Testamentary Trust

Under Negotiation: Price, terms and conditions of possible real property and/or water supply transactions.

RECONVENED IN OPEN SESSION AT 11:55 A.M.

XIV. REPORT ON ACTIONS TAKEN DURING CLOSED SESSION

Mr. Amorelli stated no reportable actions were taken during the Closed Session.

XV. BOARD OF EQUALIZATION

A. 2021-2022 DISTRICT ASSESSMENTS

The Board of Directors convened as a Board of Equalization during the Regular Board Meeting and provided the opportunity for the public to comment. There were no public comments. Notice was published in *The West Side Advance* as prescribed by California Water Code §25550-25559 *et seq.* (Proof of Publication: Att.4)

Hearing no objections and ordering no changes, M/S/C (J.HUGHES / R.BARCELLOS), to UNANIMOUSLY APPROVE 2021-2022 annual assessments to be levied against lands within the District at \$21.00 per acre (no change), in accordance with California Water Code §25650-25656 *et seq.*

AYES: 5 (J.Hughes, R.Barcellos, M.Combs, R.Motte, R.Chaney)

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XVI. ADJOURN

There being no further business to come before the Board, M/S/C (R.BARCELLOS / M.COMBS), to ADJOURN the meeting at 12:02 p.m., until the next Regular Meeting scheduled for Tuesday, October 12, 2021, by the following vote:

AYES: 5 (R.Barcellos, M.Combs, J.Hughes, R.Motte, R.Chaney)

RECORDED BY:

APPROVED BY:

Donna Y. Hanneman, Executive Assistant

Riley Chaney, President

Manny Amorelli, General Manager

ATTACHMENTS:

1. Interim Warrants: August 11-September 14, 2021, \$1,408,673.49
2. Accounts Payable: \$452,744.90
3. Payroll Certification: Pay Periods Ending August, 2021, \$75,990.16 (net)
4. Proof of Publication: Assessment Notice, West Side Advance, August 25, September 1, 2021