

JAMES IRRIGATION DISTRICT

BOARD OF DIRECTORS - REGULAR MEETING

MINUTES April 13, 2021

ATTENDANCE

DIRECTORS PRESENT (4)

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

LANDOWNERS / GROWERS

None

EXCUSED

None

ABSENT (1)

Micah Combs

STAFF PRESENT (4)

Manny Amorelli, General Manager
Walter Flores, Office Manager
Donna Hanneman, Executive Assistant
Kenneth Mancini, Superintendent

PUBLIC / CONSULTANTS (4)

- WHITE PINE RENEWABLES
Dylan Dupre (Telephone: 10:47-10:49 a.m.)
- WATER WISE
Sarah Woolf (Zoom: 10:16-11:23 a.m.)
- McMULLIN AREA GROUNDWATER SUSTAINABILITY AGENCY
Matt Hurley, General Manager (10:16-11:23 a.m.)
- YOUNG WOOLDRIDGE, LLP
Alan F. Doud, Esq. (Zoom: 10:16 a.m.-12:58 p.m.)

I. CALL TO ORDER

A Regular Meeting of the Board of Directors of JAMES IRRIGATION DISTRICT was held Tuesday, April 13, 2021, in the District office located at 8749 Ninth Street, San Joaquin, California. The meeting was called to order at 10:16 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 or to use the call-in number to allow them to fully participate in the meeting without having to be present. Unfortunately, there were technical problems and only audio connection was available.

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 FRANCISCO COVARRUBIA (11/14/1927-03/14/2021), father of employee, Ricardo Covarrubia.

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; none were reported.

III. MINUTES

A. REGULAR MEETING: MARCH 9, 2021

B. SPECIAL MEETING: MARCH 16, 2021

C. SPECIAL MEETING: MARCH 19, 2021

D. SPECIAL MEETING: MARCH 31, 2021

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

AYES: 4 (J.Hughes, R.Barcellos, R.Motte, R.Chaney)

ABSENT: 1 (M.Combs)

E. REGULAR MEETING: FEBRUARY 9, 2021 (Page 8 of 9)

Mr. Amorelli noted Minutes of the following meeting require correction as indicated

M/S/C (J.HUHGES / R. BARCELLOS), to APPROVE Minutes as CORRECTED (**redlined**) by the following vote:

AYES: 4 (J.Hughes, R.Barcellos, R.Motte, R.Chaney)

ABSENT: 1 (M.Combs)

► CLOSED SESSION: GOVERNMENT CODE §54957 - PUBLIC EMPLOYMENT

A. OFFICE MANAGER (1)

EMPLOYEE: WALTER FLORES

ACTION: M/s/c (R.CHANEY / M.COMBS) to HIRE WALTER FLORES AS OFFICE MANAGER AT ~~\$50,000~~ \$55,000 PER YEAR.

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IV. TREASURER'S REPORT

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

A. FINANCIAL REPORTS

1. Interim Warrants: March 10-April 13, 2021 (Att.1)

2. Accounts Payable (Att.2)

Interim Warrants (payments issued since last meeting) with supporting invoices and Accounts Payable (unpaid) invoices were presented for review/approval. M/S/C (J.HUGHES/R.MOTTE), to RATIFY/APPROVE Interim Warrants totaling \$711,938.76 and APPROVE payment of Accounts Payable totaling \$150,213.51 by the following vote:

AYES: 4 (J.Hughes, R.Motte, R.Barcellos, R.Chaney)

ABSENT: 1 (M.Combs)

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

A listing of payroll checks totaling \$65,156.80 (net) issued to employees and Board members for pay periods ending March, 2021, was reviewed and certified by the President, General Manager and Office Manager.

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

5. Quarterly Report of Financial Investments: March 31, 2021 Gov. Code §53646(b)(1)

6. Cash Position Report: March 31, 2021

7. Schedule of Long-Term Debt/Notes Payable: March 31, 2021

8. Accounts Receivable Activity Report: March 31, 2021

B. FISCAL AUDIT: MARCH 1, 2019-FEBRUARY 28, 2020

Vicki Hokokian, CPA, and her team have nearly completed the audit. It is anticipated their Audit Report will be presented at the May, 2021, Regular Meeting.

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V. GENERAL MANAGER'S REPORT

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

OPERATIONS

- ▶ Water Deliveries: March, 2021 - Water deliveries for the month of March were 2,181 acre-feet which is 904 acre-feet less than was delivered during March, 2020.
- ▶ Weekly TDS Readings: April 5, 2021
- ▶ U.S.B.R. / Central Valley Project
 - Mendota Pool - Pumping reports (TDS, electroconductivity) for the Mendota Wildlife Area, Delta-Mendota Canal Check#21, and Mendota Pool Degradation through March 31, 2021, were reviewed.
- ▶ Kings River Water Association
 - KRWA Storage Operations in Pine Flat Reservoir as of April 4, 2021, remained at 2,316 CFS-days or approximately 4,594 acre-feet in the District's storage account.

MAINTENANCE

- ▶ James Bypass / Water Hyacinth
 - Mr. Amorelli has learned that there are regulations under Rule 1600 which prohibit the California Department of Fish & Game from allowing the District to access the wildlife refuge with our excavator to pull hyacinth growth from the Bypass.
 - Waterworks Industries, Inc., has advised water hyacinth growth stays on the water surface and can be sprayed for control. Waterworks is scheduled for mid-May.

PROJECTS

- ▶ White Pine Renewables / Solar Project
 - Solar Project - The project proposed by White Pine Renewables for the benefit of the District was approved under the PG&E Renewable Energy Self-Generation Bill Credit Transfer Program (RES-BCT) by the deadline of March 31, 2021.
 - Land Lease - White Pine Renewables has inquired about leasing space at K Basin to construct another solar array. K Basin is considered a prime location because of the proximity to PG&E infrastructure. The Board agreed to schedule a Special Meeting to consider this matter.

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AGENCIES

- ▶ Fresno Irrigation District / Southwest Groundwater Recharge Project - Mr. Amorelli will be meeting with Bill Stretch, FID Manager, on April 15th to continue discussions on the development of an Operations & Maintenance Agreement.
- ▶ Mendota Pool Group met March 11th. The meeting was attended by Messrs. Amorelli and Motte and Mrs. Woolf. Water quality issues continue to be explored. They are developing a comprehensive list of pumpers. The USBR gave approval for pumpers to start pumping groundwater into the Pool on April 5.
- ▶ Power & Water Resources Pooling Authority (PWRPA) is estimating their reserve capacity this year.

ADMINISTRATIVE ITEMS

- ▶ Minimum Use Water Charge - Mr. Amorelli is working with Provost & Pritchard Consulting Group on the engineer's analysis of establishing an annual "minimum use water charge".
- ▶ Rubicon Water - A Special Board Meeting was held March 31st for Rubicon's presentation of improvements recommended to automate the District's conveyance system. Other options are being researched through Cal/Poly Irrigation Training & Research Center as well as grants.
- ▶ Association of California Water Agencies Virtual Spring Conference & Exhibition: May 12-May 13, 2021 - The ACWA Spring Conference will be a virtual event due to the COVID-19 pandemic.

VI. SUPERINTENDENT'S REPORT

Mr. Mancini updated the Board as follows:

- ▶ Well D-63 is only 12 years old and has been pumping sand. Longmire Swaging, Inc., has determined there is a break in the casing at a depth of 500 feet. To date, their efforts to patch the break have been unsuccessful. Updates to follow.

VII. DIRECTORS' REPORTS

VICE-PRESIDENT, JEREMY HUGHES

- ▶ McMullin On-Farm Recharge Project - Mr. Hughes suggested the District investigate working with the McMullin Area Groundwater Sustainability Agency in wheeling transfers to/from the McMullin On-Farm Recharge Project. He noted sometime back Westlands Water District lost 300,000 acre-feet of water due to their inability to bank their CVP contract water. Westlands is

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considering banking with MAGSA otherwise water would be lost. James ID could wheel transfers through its conveyance system for a fee. Mr. Hurley confirmed MAGSA is interested in this prospect. President Riley Chaney stated James ID is interested.

VIII. ACTION ITEMS

A. AGREEMENT PROVIDING FOR WATER SERVICE OUTSIDE DISTRICT BOUNDARIES: BURFORD FAMILY FARMS (05/12/2020) - Burford Family Farms submitted a draft agreement as previewed by counsel, Alan Doud. Burford is seeking to (1) wheel their Kings River entitlement through Fresno Irrigation District into the Southwest Groundwater Recharge Project for delivery to lands south of the District and (2) contract with the District for flood and/or excess water. (Min: 05/12/2020) The Board strongly emphasized that James Irrigation District must maintain first priority. TABLED until relevant.

B. GRANT OF EASEMENT: WELL D-40, APN 030-060-48 (PTN) (HARRIS) (04/13/2021)

M/S/C (J.HUGHES / R.BARCELLOS) to:

1. APPROVE form of easement (Att.4);
2. AUTHORIZE payment of \$2,500.00 to the landowners; and
3. AUTHORIZE the General Manager and President to execute the easement document and any other documents as necessary.

AYES: 4 (J.Hughes, R.Barcellos, R.Motte, R.Chaney)

ABSENT: 1 (M.Combs)

DIRECTOR MOTTE EXITED THE MEETING AT 11:13 A.M. CITING A POTENTIAL CONFLICT-OF-INTEREST AS APN #030-370-32S (PTN) IS OWNED BY HIS FATHER'S TRUST.

Pursuant to Board inquiry, Mr. Amorelli noted a second wellsite had been chosen for a replacement well on property owned by The Frank V. Motte Testamentary Trust, administered by Trustee, Marie Motte, mother of Director Motte. General Counsel, Alan Doud, advised against this transaction stating the Board should not enter into a contract with a sitting Board Member as it could be perceived to be a conflict-of-interest and potentially interpreted as the Board Member personally benefitting from the arrangement. No action taken while potential conflict-of-interest is further evaluated.

DIRECTOR MOTTE RETURNED TO THE MEETING AT 11:17 A.M.

C. ANNUAL DEPOSIT FEE (02/02/2021)

A meeting was recently attended by Messrs. Amorelli, Motte, Ms. Woolf, Eric Abrahamsen, Provost & Pritchard Consulting, and Counsel, Alan Doud, to discuss the process that would be

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required to (1) raise District assessments, including a "minimum charge" (deposit), and raise irrigation billing rates due to the financial impact of the Sustainable Groundwater Management Act, financing payoff of the USBR CVP construction repayment contract, etc. A Proposition 218 process would be required with documentation supporting these changes. It was the consensus of the Board to AUTHORIZE PROVOST & PRITCHARD CONSULTING GROUP TO MOVE FORWARD WITH THE NECESSARY ENGINEERING STUDIES.

IX. REPORT ITEMS

A. SEXUAL HARASSMENT TRAINING & EDUCATION

Board members were reminded that the mandatory biennial training class (2 hours) (Calif. AB1825) is scheduled for Tuesday, April 20, 2021, at 9:00 a.m., which will be held at the District office. Those wishing to participate remotely were requested to notify Mrs. Hanneman to make other arrangements.

ADJOURNED TO CLOSED SESSION AT 11:23 A.M.

Directors Attending:

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

Staff Attending

Manny Amorelli, General Manager

Consultants:

- Young Wooldridge, LLP
Alan F. Doud, Esq. (Zoom)

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

4 CASES

XI. 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. MCMULLIN AREA GROUNDWATER SUSTAINABILITY AGENCY VS. JAMES IRRIGATION DISTRICT;
JAMES GROUNDWATER SUSTAINABILITY AGENCY
Fresno County Superior Court Case No. 20CECG00507

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B. AS PLAINTIFF: 3 CASES

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

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

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

A. BURFORD FARMS (03/10/2020)

Negotiating Parties: James Irrigation District: General Manager/Designee
Burford Farms: Jill Burford Minnick
Under Negotiation: Price, terms and conditions of possible water supply transactions.

B. WHITE PINE RENEWABLES (04/13/2021)

Negotiating Parties: James Irrigation District: General Manager/Designee
White Pine Renewables: Dylan Dupre
Under Negotiation: Price, terms and conditions of possible land lease.

XIII. CLOSED SESSION: GOVERNMENT CODE §54957 - PUBLIC EMPLOYEE PERFORMANCE EVALUATION

A. TITLE: GENERAL MANAGER (1)

RECONVENED IN OPEN SESSION AT 12:57 P.M.

XIV. REPORT ON ACTIONS TAKEN DURING CLOSED SESSION

General Manager, Manny Amorelli, stated no reportable actions were taken during the Closed Session.

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XV. ADJOURN

There being no further business to come before the Board, the meeting was ADJOURNED at 12:58 p.m., until the next Regular Meeting scheduled for Tuesday, May 11, 2021.

RECORDED BY:

APPROVED BY:

Donna Y. Hanneman, Executive Assistant

Riley Chaney, President

Manny Amorelli, General Manager

ATTACHMENTS:

1. Interim Warrants: March 10-April 13, 2021, \$711,938.76
2. Accounts Payable: \$150,213.51
3. Payroll Certification: Pay Periods Ending March, 2021, \$65,156.80 (net)
4. Grant of Easement: Fresno County APN 030-06-48 (ptn), Harris