

JAMES IRRIGATION DISTRICT

BOARD OF DIRECTORS - REGULAR MEETING

MINUTES March 10, 2020

ATTENDANCE

DIRECTORS PRESENT (4)

Robert Motte, President
Micah Combs, Vice-President
Robert Barcellos
Riley Chaney

STAFF PRESENT (4)

Steven Stadler, General Manager/Secretary-Treasurer
Emanuele Amorelli, Business Manager
Donna Hanneman, Executive Assistant
Kenneth Mancini, Superintendent

EXCUSED NONE

LANDOWNERS / GROWERS (1)

Jeremy Hughes (10:15-11:40 a.m.)

ABSENT (1)

Thomas W. Chaney

PUBLIC / CONSULTANTS NONE

I. CALL TO ORDER

A Regular Meeting of the Board of Directors of JAMES IRRIGATION DISTRICT was held Tuesday, March 10, 2020 in the District office located at 8749 Ninth Street, San Joaquin, California. The meeting was called to order at 10:15 a.m., by President, Robert Motte. A quorum was at all times present and acting.

II. OTHER BUSINESS / PUBLIC COMMENTS

A. PUBLIC COMMENTS

None.

B. ADDITIONS / CORRECTIONS TO THE AGENDA

M/S/C (M.COMBS / R.CHANEY), to (redlined):

1. GENERAL MANAGER'S REPORT:

ADD: **San Luis Water District - Discuss return of banked water.** (R.Chaney)

2. SUBSTITUTE under **ACTION ITEMS** as follows:

A. DELETE: ~~A. **RESOLUTION 2020-02 DECLARING VACANCY IN THE OFFICE OF DIRECTOR FOR SEAT HELD BY THOMAS W. CHANEY (03/10/2020) - Consider adoption of Resolution; discuss process to fill vacancy if necessary.**~~

ADD: A. **RESIGNATION: DIRECTOR THOMAS W. CHANEY (03/10/2020) - Consider accepting letter of resignation; discuss process to fill vacancy if necessary.**

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3. REPORT ITEMS:

ADD: F. CORONAVIRUS (COVID-19) - Discuss contingency plan should District staffing be impacted by the Coronavirus pandemic. (R.Motte)

AYES: M.Combs, R.Chaney, R.Barcellos, R.Motte (4)

ABSENT: T.Chaney (1)

C. 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: FEBRUARY 11, 2020

B. SPECIAL MEETING: FEBRUARY 25, 2020

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

AYES: M.Combs, R.Chaney, R.Barcellos, R.Motte (4)

ABSENT: T.Chaney (1)

IV. TREASURER'S REPORT

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

A. FINANCIAL REPORTS

1. Interim Warrants: February 12-March 10, 2020 (Att.1)

2. Accounts Payable (Att.2)

Interim Warrants with supporting invoices and Accounts Payable invoices were presented for review/approval. M/S/C (M.COMBS / R.CHANEY), to RATIFY/APPROVE Interim Warrants totaling \$273,319.76 and APPROVE Accounts Payable totaling \$126,026.75 by the following vote:

AYES: M.Combs, R.Chaney, R.Barcellos, R.Motte (4)

ABSENT: T.Chaney (1)

3. Payroll Certification: Pay Periods Ending February, 2020 (Att.3)

A listing of payroll checks totaling \$61,523.46 (net) issued to employees and Board members for pay periods ending February, 2020, was reviewed and certified by the President, General Manager/Secretary-Treasurer and Business Manager.

4. Income Statements (Budget-to-Actual): Period Ending February, 2020

5. Cash Position Report: February 29, 2020

6. Accounts Receivable Activity Report: February 29, 2020

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V. DIRECTORS' REPORTS

None presented.

VI. GENERAL MANAGER'S REPORT

Mr. Stadler presented his verbal report encompassing operations, maintenance, projects and other District matters for the month of February, 2020, as follows:

A. OPERATIONS

▶ Water Deliveries: February, 2020

- ▷ Water deliveries for the month of February were 4,625 acre-feet which is 2,094 acre-feet more than was delivered during February, 2019. The fiscal year-to-date total deliveries are at 55,477 acre-feet which is 1,487 acre-feet more than was delivered at this time during the last fiscal year.
- ▷ At present, District demand is being met by District wells. San Joaquin River rights water and CVP allocations will be utilized this summer to blend with well water with quality in mind.

Added:

- ▷ San Luis Water District was notified that we may not be able to return the 9,138 acre-feet of banked water if 2020 is declared to be a Shasta-critical year. Mr. Stadler indicated he is evaluating all options and agreed to further discuss the matter with San Luis WD; report next meeting.

▶ Weekly TDS Readings: January 27-March 9, 2020

▶ U.S.B.R. / Central Valley Project

- ▷ CVP Allocation to south-of-Delta agricultural contractors remains at 15%. The USBR has been somewhat more aggressive this year in setting allocations. In the past under similar circumstances, contractors might not have received any water.
- ▷ San Joaquin River / Schedule II Riparian - There is a possibility that the USBR may declare this to be a Shasta-critical year which could reduce riparian rights allocations. This is a fluctuating dynamic.

B. MAINTENANCE

- ▶ Replacement Well - Arthur & Orum is drilling a second replacement well on the Main Canal/WAPA line. There was a mishap when the new well site was flooded by a nearby leaking irrigation pipe and the District had to tow Arthur & Orum equipment out of the mud. There are no plans to drill more wells at present but sites will be selected for future drilling.
- ▶ P Booster Spillway is under construction. The project was designed by the Cal/Poly ITRC to improve measurement of water sent to the Mendota Pool.

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C. ADMINISTRATIVE ITEMS

- ▶ Weed Control / Maintenance - HECTOR ESCOBAR was hired March 9, 2020, to fill this position (replacing Michael Chaffin).

VII. ACTION ITEMS

Added:

A. RESIGNATION: DIRECTOR THOMAS W. CHANEY (03/10/2020)

M/S/C (R.CHANEY / R.BARCELLOS), to ACCEPT LETTER OF RESIGNATION SUBMITTED BY THOMAS W. CHANEY EFFECTIVE THIS DATE. (Att.4)

AYES: R.Chaney, R.Barcellos, M.Combs, R.Motte (4)

ABSENT: T.Chaney (1)

B. POLICY: CELL PHONE REIMBURSEMENT (03/10/2020)

M/S/C (R.CHANEY / R.BARCELLOS), to APPROVE REVISED [EMPLOYEE] CELL PHONE REIMBURSEMENT policy EFFECTIVE MARCH 1, 2020. (Att.5)

AYES: R.Chaney, R.Barcellos, M.Combs, R.Motte (4)

ABSENT: T.Chaney (1)

C. RESOLUTION 2020-03 REPEALING RESOLUTION 2001-02 REGARDING AB3030 GROUNDWATER MANAGEMENT PLAN (03/10/2020) - M/S/C (M.COMBS / R.BARCELLOS), to ADOPT RESOLUTION 2020-03. (Att.6)

AYES: M.Combs, R.Barcellos, R.Motte (3)

NAYS: R.Chaney (1)

ABSENT: T.Chaney (1)

D. RULES & REGULATIONS GOVERNING WATER DISTRIBUTION & CANAL MAINTENANCE (11/19/2019)

M/S/C (M.COMBS / R.CHANEY), to APPROVE UPDATED RULES & REGULATIONS. (Att.7)

AYES: M.Combs, R.Chaney, R.Barcellos, R.Motte (4)

ABSENT: T.Chaney (1)

VIII. REPORT ITEMS

A. CENTRAL VALLEY PROJECT CAPITAL REPAYMENT OBLIGATION (05/16/2018)

Mr. Stadler met with USBR representatives last week to negotiate CVP repayment contract language. He expects the District's repayment contract will be posted for 60-day public review in the near future which will be followed by the validation process. He noted Westlands Water District was unsuccessful in validating their contract and hopes to use their experience to avoid similar difficulties.

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Director Riley Chaney noted various payment options are being presented to growers/landowners within the San Luis Water District and inquired if that would be possible for James as well. Mr. Stadler noted San Luis Water District has individual landowner accounts while James' water supply contract is aggregated.

Mr. Stadler is analyzing increasing water rates versus recommending a special assessment dedicated to repayment of the CVP repayment contract. Mr. Stadler stated that assessments may be preferable as the funding stream would be more stable (land based) rather than being based on fluctuating water sales. Director Micah Combs expressed strong opposition to increasing rates/assessments if at all possible. Active discussion ensued. Mr. Stadler emphasized the value to converting to a repayment contract are the contract would become permanent ending renewal controversies and would stabilize the capital repayment rates. He cautioned, however, that there may be future capital obligations, especially if Shasta Dam or the B.F. Sisk (San Luis Reservoir) dams are raised. These obligations may be borne by the entire CVP or individual contractors on an opt-in basis.

B. MENDOTA POOL GROUP 20-YEAR EXCHANGE PROGRAM (09/12/2000)

Mr. Stadler updated the Board on negotiations on the Exchange Agreement between the USBR and the Mendota Pool Group. He recently met with local USBR and Mendota Pool Group representatives of the USBR Regional office. Additional information was requested of the District and was quickly provided. The USBR indicated there will be a follow-up meeting.

C. RAISIN CITY WATER DISTRICT (07/11/2017)

Mr. Stadler discussed opportunities to work collaboratively with the Raisin City Water District toward groundwater sustainability. He recently met with two Raisin City Water District representatives, Messrs. Doug Moles and Gagan Bath, as they investigated the potential to secure a long-term agreement for surface water as their Board considers a project extending the McMullin Canal project (including a lift station). The Board was emphatic that the District be guaranteed that it has full control/operation of the intake structure. Mr. Stadler noted the Kings River Conservation District backed away from the project and Terranova Ranch, Inc., now owns the canal east of the Reclamation District No. 1606 property boundary. Mr. Stadler expressed the hope that the District will eventually be able to assist in conveying excess and/or flood water to needy areas like Raisin City.

D. LAKE AVENUE CANAL FEASIBILITY STUDY (06/11/2019)

Mr. Stadler noted this engineering feasibility study should be complete next month. He reiterated that the interested parties are funding this endeavor.

E. A.C.W.A. SPRING CONFERENCE: MAY 5-8, 2020, MONTEREY, CA (03/10/2020)

Discussed upcoming event. Directors were encouraged to attend.

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Added:

F. CORONAVIRUS (COVID-19) (03/10/2020)

President Robert Motte expressed the concern that the District may need to develop a contingency plan should District staffing be impacted by the Coronavirus (COVID-19) pandemic. Mr. Stadler will communicate to employees/growers.

Adjourned to Closed Session at 11:40 a.m.

Attending:

Robert Motte, President
Micah Combs, Vice-President
Robert Barcellos, Director
Riley Chaney, Director

Staff:

Steven Stadler, General Manager, Secretary-Treasurer

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

1 CASE

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

A. AS DEFENDANT: 3 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
3. AMY BEZERA VS. JAMES IRRIGATION DISTRICT
Fresno County Superior Court Case No. 20CECG00572

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 V. KINGS RIVER WATER ASSOCIATION ET AL
Fresno County Superior Court Case No. 19CECG00769

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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

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

A. CENTRAL VALLEY PROJECT (CVP) REPAYMENT CONTRACT (06/11/2019)

Negotiating Parties: James Irrigation District: Steven Stadler, Scott K. Kuney, Esq.,
Alan F. Doud, Esq.

U.S. Bureau of Reclamation: Michael Jackson, P.E.

Under Negotiation: Price, terms and conditions of water supply contract

B. BURFORD RANCHES (03/10/2020)

Negotiating Parties: James Irrigation District: Steven Stadler
Burford Ranches: Jill Burford Minnick

Under Negotiation: Price, terms and conditions of possible water supply transactions.

Reconvened in Open Session at 11:59 a.m.

XII. REPORT ON ACTIONS TAKEN DURING CLOSED SESSION

No reportable actions were taken during the Closed Session.

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XIII. ADJOURN

There being no further business to come before the Board, the meeting was ADJOURNED at 12:00 p.m., until the next Regular Meeting scheduled for Tuesday, April 14, 2020.

RECORDED BY:

APPROVED BY:

Donna Y. Hanneman, Executive Assistant

Robert Motte, President

Steven P. Stadler, P.E.
General Manager, Secretary-Treasurer

ATTACHMENTS:

1. Interim Warrants: February 12-March 10, 2020, \$273,319.76
2. Accounts Payable: \$126,026.75
3. Payroll Certification: Pay Periods Ending February, 2020, \$61,523.46 (net)
4. Correspondence: "Resignation-Board of Directors", Thomas W. Chaney, March 9, 2020
5. Policy: Cell Phone Reimbursement (Revised effective March 1, 2020), Adopted March 10, 2020
6. Resolution 2020-03 Repealing Resolution 2001-02 Regarding AB3030 Groundwater Management Plan, Adopted March 10, 2020
7. Rules & Regulations Governing Water Distribution & Canal Maintenance, Revised/Adopted March 10, 2020