

JAMES IRRIGATION DISTRICT

BOARD OF DIRECTORS, GROWERS & LANDOWNERS
ANNUAL MEETING

MINUTES
March 11, 2020

I. CALL TO ORDER & WELCOMING REMARKS

The 2020 Annual Meeting of the Board of Directors, Growers and Landowners of JAMES IRRIGATION DISTRICT was held Wednesday, March 11, 2020, at the San Joaquin Veterans Memorial Hall, 22001 West Manning Avenue, San Joaquin, California, 93660. (Attendance Roster: Att.1) The meeting was called to order at 12:50 p.m., by General Manager, Steven Stadler.

II. OTHER BUSINESS / PUBLIC COMMENTS

February 16, 2020, marked the 100th anniversary of the formation of James Irrigation District. The District was formed in 1920 with a Board of Directors comprised of three members, namely, Frank Orlando, Frank Keller, and Peter Rusconi. Mr. Stadler noted his research of District records indicates the first meeting was held in someone's living room with an attorney present.

The District's infrastructure was built before 1920. Municipal water companies James Mutual, Alpha, Beta and Omega Water Company were consolidated by formation of a public entity which then allowed James Irrigation District to assume the function of the private entities and build-out the distribution system. Mr. Stadler expressed his amazement at the organization and layout of the District with laterals laid out east-to-west in ½-mile segments. Bonds were sold to landholders and the facilities were completed. Unfortunately, nine years after formation, the Great Depression struck and the District and landowners experienced a great deal of hardship.

Mr. Stadler noted January 2, 1909, was a significant date in the District's history when the California Supreme Court set aside a legal injunction against the James Canal Company. Elizabeth Turner went to court to stop the District from diverting water from the Fresno Slough¹. Mr. Stadler expressed his appreciation for the District's roots, noting many founding families still own land here and he expressed an obligation to preserve their hard-fought rights.

Superintendent, Kenneth Mancini, and staff were complimented and thanked once again for their efforts in preparing and presenting another excellent meal.

¹Elizabeth Turner, Administratrix of the Estate of William C. Turner, Deceased, January 2, 1909

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III. EMPLOYEE RECOGNITION

In recognition of their service to the District, the following individuals were introduced:

A. NEW EMPLOYEES

1. Hector Escobar, Weed Control / Maintenance

B. 5 YEARS

1. Luis Rosas, Ditchtender / Maintenance

Mr. Stadler noted many employees have been with the District for a long time, the longest being Ricardo Covarrubia who started in September, 1979, almost 41 years ago.

IV. GENERAL MANAGER'S REPORT

▶ BUDGET 2020-2021

- ▷ Assessment rates remain at \$21.00 per acre.
- ▷ On February 11, 2020, the Board of Directors approved a billing rate increase of \$5.00 per acre-foot as follows:

Class	Current Rate	Increase	New Rate
Standard O&M	\$ 112.00	\$ 5.00	\$ 117.00
Full Cost / Non -Project	\$ 117.00	\$ 5.00	\$ 122.00

Billing rates have not increased since 2011 when a billing rate increase and cap was authorized under a Proposition 218 landowner vote. At that time the cap was maximized at a cumulative 25%. The current rate increase was necessitated by:

- CVP billing rates charged by the Bureau of Reclamation have increased considerably. The interest-free loan for constructing the Delta-Mendota Canal, Shasta Dam and the Delta pumps is due in 2030. A portion of the CVP rate was dedicated to repayment of the loans; however, as allocations declined, repayment lagged and rates were increased.
- The O&M rates charged by the San Luis & Delta-Mendota Water Authority are up and will continue to increase as they have had to rewind seven booster motors at \$2 million each for a total of \$14 million.
- The combination of CVP rates and rates charged by the San Luis & Delta-Mendota Water Authority are higher than the District was charging.
- Electricity rates charged by PG&E and the Power & Water Resources Pooling Authority have increased.

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- Costs have been incurred to form the James Groundwater Sustainability Agency and to prepare a Groundwater Sustainability Plan. Expenses will continue as the Plan is implemented to achieve sustainability.
- Inflation, cost-of-living increases

▶ WATER SUPPLY

- ▷ The Bureau of Reclamation has announced an initial 15% CVP allocation to South-of-Delta agricultural contractors.
- ▷ Riparian/Schedule II has been allocated at 100% but could decrease to 75% if drought conditions persist.
- ▷ Wells will be needed this year to supplement constricted allocations. The condition of the aquifer within the District is good but may be impacted by pumping.
- ▷ Groundwater pumping will increase this year in order to supplement surface water. Total demand is expected to decline due to new crops being planted and fallowed acreage. The District will be able to satisfy grower demands.
- ▷ Two wells have been drilled within District boundaries.

▶ JAMES GROUNDWATER SUSTAINABILITY AGENCY (GSA)

The Groundwater Sustainability Plan ("GSP") covering James ID, Reclamation District No. 1606 ("RD1606") and the City of San Joaquin, was submitted to the Kings Groundwater Subbasin GSA. The James GSA is one of seven GSAs that comprise the Kings Groundwater Subbasin. Individual GSPs accompanied by coordination agreements were submitted by the Kings Subbasin GSA to the California Department of Water Resources. It was imperative that all GSPs pass or the entire basin was at risk of being found out of compliance. Mr. Stadler noted it was a painful but successful effort and, fortunately, infighting was avoided.

The next step will be to implement GSPs. All seven GSAs need to work together to achieve sustainability within the basin. Those GSAs without surface water are in a deficit condition. Mr. Stadler is hoping all GSAs will cooperate and work together on mutually beneficial projects with a goal of achieving sustainability.

▶ LEGAL ACTIONS

Mr. Stadler briefly reviewed the following legal actions initiated by the District.

- ▷ James Irrigation District v. Kings River Water Association - The District has initiated litigation against the Kings River Water Association in a dispute over interpretation of the 1963 Lower River Agreement compensation for channel losses. He is hoping for an amicable resolution.

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- ▶ James Irrigation District v. Westlands Water District & the Mendota Pool Group: James ID provided extensive comments in response to the Environmental Impact Report filed in conjunction with Westlands' & the Mendota Pool Group's efforts to seek approval of 20-year extensions of their Bureau exchange contracts. The James ID Board of Directors authorized litigation to proceed as there are deficiencies in their environmental documents which must be addressed.

CVP deliveries to the Pool average 300 ppm TDS. Under the new program, they are projected to escalate to 600 ppm TDS. The Bureau has not been monitoring water quality and District tests indicate TDS has exceeded CVP contract parameters. The San Joaquin River flows into the Mendota Pool at a rate of 50 ppm TDS. Mr. Stadler indicated it to be imperative that the rights and interests of James ID growers and landowners be protected.

V. QUESTION & ANSWER SESSION

- ▶ Jerry Gragnani inquired if James is working on recharge projects within the McMullin Area Groundwater Sustainability Agency ("MAGSA"). Mr. Stadler responded James ID and Reclamation District No. 1606 have worked with the Kings River Conservation District and Terranova Ranch in their efforts to develop the McMullin On-Farm Flood Capture & Recharge Project. RD1606 granted permission to have a diversion structure constructed through the RD1606 levee at McMullin Grade that will divert flood/excess water at the James Weir to be conveyed through a canal that parallels McMullin Grade to flood farm land in-lieu of pumping. James ID is looking to assist others with similar projects wherever possible.
- ▶ Mr. Stadler discussed the filing initiated by the Semitropic Water Storage District for rights to "unallocated" Kings River flows. The Kings River Water Association, Fresno Irrigation District, the counties of Fresno, Kings and Tulare, the U.S. Bureau of Reclamation and numerous other local agencies have objected.
- ▶ The James GSP has identified a flood & excess water program that could be implemented at times when the District has excess water that might be shared or wheeled through our system to improve groundwater levels. We want to be certain the water is used rather than flushed to the ocean.
- ▶ A feasibility study for the Lake Avenue Canal Project has been initiated and funded by landowners of 5,000± acres east of the District who could benefit from construction of a canal to convey flood and/or excess water. The study should be completed in April and appears viable. During recent flood flows, the District conveyed water to some of these lands.

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- ▶ Construction of the Southwest Groundwater Recharge Project was a joint project with Fresno Irrigation District on 100 acres west of McMullin Grade. This project allows James ID to recharge water with Fresno ID to offset pumping outside the District. The District also brings its Kings River water through Fresno ID into the project rather than conveying it down the channel reducing conveyance losses.

- ▶ Jerry Gragnani inquired if it is possible that farms outside James could be shut down. Mr. Stadler confirmed that under SGMA if GSAs that are out of compliance, the State could step in, take control, identify wells, implement metering, regulate groundwater usage, impose fees, and users would pay based on meter readings. If one GSA is out of compliance, this action would be imposed on the entire basin.

- ▶ Kenneth Mancini inquired if landowners will be required to register domestic wells. Mr. Stadler emphasized that the District is not regulating domestic use and does not require wells to be registered. He clarified that regulations under the Irrigated Lands Regulatory Program are different than SGMA and suggested landowners contact the Kings River Water Quality Coalition with questions.

- ▶ Mr. Stadler requested growers and landowners provide the District office with their e-mail addresses to help the District disseminate newsletter and pertinent information.

VI. CLOSING REMARKS & ADJOURN

Mr. Stadler again thanked everyone for attending and noted commemorative coffee cups and caps were being distributed. The meeting was adjourned at 1:33 p.m.

RECORDED BY:

APPROVED BY:

Donna Y. Hanneman, Executive Assistant

Robert Motte, President

Steven P. Stadler, P.E.
General Manager

ATTACHMENT:

1. Attendance Roster: March 11, 2020