

JAMES IRRIGATION DISTRICT

BOARD OF DIRECTORS - REGULAR MEETING

MINUTES May 12, 2020

ATTENDANCE

DIRECTORS PRESENT (5)

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

STAFF PRESENT (3)

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

EXCUSED NONE

LANDOWNERS / GROWERS NONE

ABSENT NONE

PUBLIC / CONSULTANTS NONE

I. CALL TO ORDER

A Regular Meeting of the Board of Directors of JAMES IRRIGATION DISTRICT was held Tuesday, May 12, 2020, in the District office located at 8749 Ninth Street, San Joaquin, California. The meeting was called to order at 10:10 a.m., by President, Robert Motte. A quorum was at all times present and acting.

II. OTHER BUSINESS / PUBLIC COMMENTS

A. PUBLIC COMMENTS

JEREMY HUGHES was welcomed to the meeting as new Director.

B. MEETING DATE CHANGE

It was noted for the record that the April 14, 2020, Regular Meeting was ADJOURNED to this date due to the Coronavirus (COVID19) pandemic and notice posted as required.

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.

JAMES IRRIGATION DISTRICT

BOARD OF DIRECTORS - REGULAR MEETING

MINUTES - May 12, 2020

III. MINUTES

- A. REGULAR MEETING: MARCH 10, 2020
- B. ANNUAL MEETING: MARCH 11, 2020
- C. SPECIAL MEETING: APRIL 13, 2020
- D. SPECIAL MEETING: MAY 1, 2020

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

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

IV. TREASURER'S REPORT

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

A. FINANCIAL REPORTS

- 1. Interim Warrants: March 11-April, 2020, \$1,003,490.10 (Att.1)
- 2. Interim Warrants: April 15-May 12, 2020, \$354,715.85 (Att.2)
- 3. Accounts Payable: April 8, 2020; \$187,211.58 (Att.3)
- 4. Accounts Payable: May 8, 2020; \$160,249.55 (Att.4)

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 and APPROVE Accounts Payable by the following vote:

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

- 5. Payroll Certification: Pay Periods Ending March, 2020; \$62,417.34 (Att.5)
- 6. Payroll Certification: Pay Periods Ending April, 2020; \$64,269.95 (Att.6)
Listings of payroll checks issued to employees and Board members were reviewed and certified by the President, General Manager/Secretary-Treasurer and Business Manager.
- 7. Income Statements (Budget-to-Actual): Period Ending March 31, 2020
- 8. Income Statements (Budget-to-Actual): Period Ending April 30, 2020
- 9. Quarterly Report of Financial Investments: March 31, 2020 Gov. Code §53646
- 10. Cash Position Report: March 31, 2020
- 11. Cash Position Report: April 30, 2020
- 12. Schedule of Long-Term Debt/Notes Payable: March 31, 2020

JAMES IRRIGATION DISTRICT

BOARD OF DIRECTORS - REGULAR MEETING

MINUTES - May 12, 2020

13. Accounts Receivable Activity Report: March 31, 2020

14. Accounts Receivable Activity Report: April 30, 2020

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 March-April, 2020, as follows:

► OPERATIONS

- ▶ Water Deliveries: April, 2020 - Water deliveries for the month of April were 2,768 acre-feet which is 2,001 acre-feet less than delivered during April, 2019. The fiscal year-to-date total deliveries are at 5,853 acre-feet which is 1,269 acre-feet less than was delivered at this time during the last fiscal year. It appears that fallowed ground and new pistachio plantings are contributing to the decline in water sales.
- ▶ Weekly TDS Readings: May 4, 2020
It was noted that TDS readings are increasing. Water is being blended to reduce levels. Rights water will be utilized later to lower TDS.
- ▶ U.S.B.R. / Central Valley Project
 - ▶ CVP allocations remain at 15% to South-of-Delta contractors. The USBR has declared a Shasta Critical Year. Allocations will be re-evaluated. This could result in the District losing its rights water, but the loss may be offset by CVP changes.
 - ▶ The Federal District Court, Fresno, placed a temporary injunction on pumping. This necessitates having to use the 2009 Biological Opinions ("BiOps") instead of the 2019 BiOps until May 31st which will reduce Delta pumping. There has been a flurry of lawsuits. The State of California has not accepted the 2019 Federal BiOps and has sued the Federal government stating endangered species have not been given adequate protection.
- ▶ Kings River
 - Entitlement Water - April 5 and May 3, 2020, KRWA Storage Operations In Pine Flat Reservoir reports were reviewed.
 - Storage Account - Entitlement accelerates during the months of May, June and July. While more entitlement will be earned, it is uncertain how much as the snow pack has been depleted. Mr. Stadler hopes to convey Kings River water through Fresno Irrigation District in August.

JAMES IRRIGATION DISTRICT

BOARD OF DIRECTORS - REGULAR MEETING

MINUTES - May 12, 2020

▶ MAINTENANCE

- ▶ Wells - Replacement wells on Lateral A and the Main Canal have been drilled and were developed by Westside Pump with good results. Bids for pumps are being procured.

VII. ACTION ITEMS

A. AGENCY APPOINTMENTS

1. James Groundwater Sustainability Agency - Director (1)

Item placed on the Agenda in error as Directors were appointed December 10, 2019.

NO ACTION INDICATED.

B. AGREEMENT PROVIDING FOR WATER SERVICE OUTSIDE DISTRICT BOUNDARIES (12/12/2017)

Mr. Stadler reported Burford farms 1,500-2,000 acres south of the District and would like to wheel their Kings River entitlement through Fresno Irrigation District into the Southwest Groundwater Banking Project. They are also interested in the possibility of contracting with the District for flood/excess water. An agreement is being drafted.

C. APPOINTMENT OF IN-HOUSE COUNSEL (05/12/2020)

The appointment of Steven P. Stadler as In-House Counsel effective June 1, 2017, was not documented in the June 13, 2017, Minutes. Mr. Stadler requested the Board ratify his appointment for historical purposes as he represents the District on the City of Fresno/Friant Court of Claims matter. Further discussion was deferred until after Closed Session.

After Closed Session, the following action was discussed further and taken.

M/S/C (M.COMBS / R.BARCELLOS), to RATIFY THE APPOINTMENT OF STEVEN P. STADLER AS IN-HOUSE COUNSEL EFFECTIVE JUNE 1, 2017.

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

D. STIMULUS PROJECT LIST (05/12/2020)

Reviewed a listing of projects Mr. Stadler provided to the San Luis & Delta-Mendota Water Authority for potential stimulus funding opportunities.

M/S/C (M.COMBS / R.BARCELLOS), to APPROVE STIMULUS PROJECT LIST AS SUBMITTED TO THE SAN LUIS & DELTA-MENDOTA WATER AUTHORITY.

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

NAYS: J.Hughes (1)

Director Hughes explained he voted "No" as he wished to have automation of information technology and field operations added to the listing.

JAMES IRRIGATION DISTRICT

BOARD OF DIRECTORS - REGULAR MEETING

MINUTES - May 12, 2020

E. INTEGRATED REGIONAL WATER MANAGEMENT PLAN (IRWMP) PROJECT SUBMISSION (05/12/2020)

The Kings Basin Water Authority administers IRWMP grants for the Basin. Most recently, IRWMP grant funds aided the District with the Southwest Groundwater Banking Project. Mr. Stadler would like to submit the Stimulus Project List to the Kings Basin Water Authority for IRWMP grant consideration.

M/S/C (J.HUGHES / M.COMBS), to AUTHORIZE THE GENERAL MANAGER TO SUBMIT THE STIMULUS PROJECT LISTING TO THE KINGS BASIN WATER AUTHORITY FOR IRWMP GRANT FUNDING CONSIDERATION ADDING A PROJECT INVOLVING THE AUTOMATION OF INFORMATION TECHNOLOGY/FIELD OPERATIONS TO THE LIST.

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

F. FLORAL AVENUE POWER LINE (05/12/2020)

The PG&E pole line along Floral Avenue between Napa & El Dorado Avenues has become a safety/liability concern. Some poles are sited within the ditch and are leaning. Mr. Stadler has been working with Pacific Gas & Electric but sought the Board's support to send a letter to PG&E requesting they relocate poles outside the ditch.

M/S/C (R.CHANEY / R.BARCELLOS), to AUTHORIZE THE GENERAL MANAGER TO CORRESPOND WITH PACIFIC GAS & ELECTRIC REQUESTING THEY RELOCATE POLES OUTSIDE THE DITCH AT NAPA & EL DORADO AVENUES FOR SAFETY/LIABILITY REASONS.

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

VIII. REPORT ITEMS

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

Mr. Stadler indicated our repayment contract should be posted on the USBR website for comments in the near future. Financing opportunities are being investigated.

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

Pumpers began pumping groundwater wells into the Mendota Pool in April. A reading of 300 ppm TDS was taken coming into the Pool, with 600 ppm TDS past Hwy. 180. The USBR is renewing their 20-year plan this week despite numerous objections.

C. MCMULLIN ON-FARM FLOOD CAPTURE & RECHARGE PROJECT (09/13/2016)

Mr. Stadler reported the Kings River Conservation District ("KRCD") has changed its project relationship with Terranova Ranch without notifying Reclamation District No. 1606 ("RD1606") or James Irrigation District. The project is no longer publicly owned. Raisin City Water District is interested in assuming the role of lead agency for Phases 2 and 3.

JAMES IRRIGATION DISTRICT

BOARD OF DIRECTORS - REGULAR MEETING

MINUTES - May 12, 2020

Per KRCD, Terranova Ranch now owns the newly-constructed canals but KRCD retains the right to use the canals for the project. Mr. Stadler stated that the RD1606 Board expressed concerns about the changes and the fact that the project is no longer publicly owned. The RD1606 Board is seeking input from the James ID Board.

Following discussion, it was emphatically agreed that James ID and RD1606 must maintain full control of the intake structure, concurring with the RD1606 concerns, and authorized Mr. Stadler to notify the KRCD of its concerns at an appropriate time.

D. JAMES GROUNDWATER SUSTAINABILITY PLAN (07/09/2019)

The Kings Subbasin Annual Report was due April 1, 2020, and was timely submitted by the all of the GSAs to the California Department of Water Resources ("DWR").

The DWR has opened their GSP portal website to accept public comments on Groundwater Sustainability Plans. Comments on plans within the Kings Subbasin are due no later than May 15, 2020.

The James Groundwater Sustainability Agency Advisory Committee has met a number of times. The Advisory Committee included representatives from MAGSA as well as community representatives (Fresno County, City of San Joaquin, Interested Parties). With the adoption of the James GSP, the Committee's original purpose has diminished.

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

The feasibility report compiled by Summers Engineering was circulated to project partners for their comments. Thus far, feedback has been positive.

F. IRRIGATED LANDS REGULATORY PROGRAM (01/14/2020)

At this point, Mr. Stadler is unsure of how management zones will be established. It is possible that the Kings Basin may have only two zones.

G. DISTRICT WEBSITE (06/11/2019)

Updating the Board on the development of a District website, Mr. Stadler indicated he's had difficulty getting IT resource assistance. KRCD is supporting the James GSA website. KRCD is not interested in supporting the James ID website because it is not related to their mission.

JAMES IRRIGATION DISTRICT

BOARD OF DIRECTORS - REGULAR MEETING

MINUTES - May 12, 2020

Adjourned to Closed Session at 11:29 a.m.

Attending:

Robert Motte, President

Micah Combs, Vice-President

Robert Barcellos, Director

Riley Chaney, Director

Jeremy Hughes, 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 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

JAMES IRRIGATION DISTRICT

BOARD OF DIRECTORS - REGULAR MEETING

MINUTES - May 12, 2020

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

D. AS CLAIMANT: 1 CASE

1. PG&E CORPORATION AND PACIFIC GAS AND ELECTRIC COMPANY (04/14/2020)
United States Bankruptcy Court, Northern District of California
San Francisco Division, Chapter 11 Case No. 19-30088 (DM) (Lead Case)
(Jointly Administered)

XI. CLOSED SESSION: GOVERNMENT CODE §54957 - PERSONNEL MATTERS

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

A. JAMES & TRANQUILLITY NEGOTIATIONS

Negotiating Parties: James Irrigation District: Steven Stadler
Tranquillity Irrigation District: Danny Wade
Kings River Lower River Units: John Howe
Under Negotiation: Price, terms & conditions of possible real property and/or water supply transactions

B. SOUTHWEST GROUNDWATER RECHARGE PROJECT (11/13/2012)

Negotiating Parties: James Irrigation District: Steven Stadler
Fresno Irrigation District: Bill Stretch
Under Negotiation: Price, terms and conditions of possible real property and/or water supply transactions/Department of Water Resources Proposition 84 Grant Application

C. WATER BANKING & TRANSFERS (04/19/2018)

Negotiating Parties: James Irrigation District: Steven Stadler
San Luis Water District: Lon Martin
Various CVP Contractors: General Managers or Designees
Under Negotiation: Price, terms and conditions of possible water supply transactions.

D. 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

JAMES IRRIGATION DISTRICT

BOARD OF DIRECTORS - REGULAR MEETING

MINUTES - May 12, 2020

Reconvened in Open Session at 12:29 p.m.

XIII. REPORT ON ACTIONS TAKEN DURING CLOSED SESSION

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

XIV. ADJOURN

There being no further business to come before the Board, the meeting was ADJOURNED at 12:33 p.m., until the next Regular Meeting scheduled for Tuesday, June 9, 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: March 11-April 14, 2020, \$1,003,490.10
2. Interim Warrants: April 15-May 12, 2020, \$354,715.85
3. Accounts Payable: April 8, 2020; \$187,211.58
4. Accounts Payable: May 8, 2020; \$160,249.55
5. Payroll Certification: Pay Periods Ending March, 2020, \$62,417.34 (net)
6. Payroll Certification: Pay Periods Ending April, 2020, \$64,269.95 (net)