

JAMES IRRIGATION DISTRICT

BOARD OF DIRECTORS - REGULAR MEETING

MINUTES March 9, 2021

ATTENDANCE

DIRECTORS PRESENT (5)

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

EXCUSED

None

ABSENT

None

STAFF PRESENT (4)

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

LANDOWNERS / GROWERS

None

PUBLIC / CONSULTANTS (5)

- McMULLIN GROUNDWATER SUSTAINABILITY AGENCY
Matt Hurley (10:15-11:47 a.m.)
- WHITE PINE RENEWABLES
Dylan Dupre (10:15-11:22 a.m.)
- WATER WISE
Sarah Woolf (10:15-11:47 a.m.)
Kristi Robinson (10:15-11:47 a.m.)
- YOUNG WOOLDRIDGE, LLP
Alan F. Doud, Esq.

I. CALL TO ORDER

A Regular Meeting of the Board of Directors of JAMES IRRIGATION DISTRICT was held Tuesday, March 9, 2021, 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, 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. While all members of the Board of Directors were present, members of the public were encouraged to utilize the Zoom link to allow them to fully participate in the meeting without having to be present.

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II. OTHER BUSINESS / PUBLIC COMMENTS

A. PUBLIC COMMENTS

▶ MCMULLIN AREA GROUNDWATER SUSTAINABILITY AGENCY

Matt Hurley mentioned a recent meeting with Messrs. Chaney, Combs. MAGSA has recently been awarded a \$10 million grant to expand their on-farm recharge project. He would like to work with James. MAGSA's goal is to develop a water banking project that could store an estimated 1.5 million acre-feet similar to Kern County.

B. MOMENT OF SILENCE

A moment of silence was observed to honor the passing of CARROLL "BUDDY" RUPE (04/05/1930-03/01/2021), former San Joaquin resident and retired grower.

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: FEBRUARY 9, 2021

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

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

IV. TREASURER'S REPORT

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

A. FINANCIAL REPORTS

1. Interim Warrants: February 10-March 9, 2021 (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 / J.HUGHES), to RATIFY/APPROVE Interim Warrants totaling \$297,823.26 and APPROVE payment of Accounts Payable totaling \$50,720.10 by the following vote:

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

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

A listing of payroll checks totaling \$59,326.43 (net) issued to employees and Board members for pay periods ending February, 2021, was reviewed and certified by the President, General Manager and Office Manager.

4. Income Statements (Budget-to-Actual): Period Ending February 28, 2021

5. Cash Position Report: February 28, 2021

6. Accounts Receivable Activity Report: February 28, 2021

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

The audit is progressing and is expected to wrap-up soon.

V. DIRECTORS' REPORTS

PRESIDENT, RILEY CHANEY

- ▶ Mendota Pool Group - Attended a meeting to share information on water quality issues.
- ▶ Kings River Water Association - Attended meeting with Messrs. Motte, Chaney and Amorelli, continuing negotiations to settle pending litigation.

VI. GENERAL MANAGER'S REPORT

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

OPERATIONS

- ▶ Water Deliveries: February, 2021 - Water deliveries for the month of February were 2,438 acre-feet which is 2,186 acre-feet less than was delivered during February, 2020. The fiscal year-to-date total deliveries are at 54,848 acre-feet which is 628 acre-feet less than was delivered at this time during the last fiscal year.
- ▶ Weekly TDS Readings: March 8, 2021
- ▶ Mendota Pool - Pumping reports (TDS, electroconductivity) for the Mendota Wildlife Area, Delta-Mendota Canal Check#21, and Mendota Pool Degradation through February 28, 2021, were reviewed.

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- ▶ Kings River Water Association
 - KRWA Storage Operations in Pine Flat Reservoir as of February 28, 2021, totaled approximately 2,316 CFS-days or approximately 4,594 acre-feet in the District's storage account.

MEETINGS

- ▶ Power & Water Resources Pooling Authority - Bruce McLaughlin, General Manager, will be visiting next month in an attempt to help identify and expand PWRPA service in the District.
- ▶ Mendota Pool Group - Met with Chase Hurley, others, focusing on water quality issues. The next meeting is scheduled for March 11th. Hope to have representatives from the USBR and California Department of Fish & Game in attendance.
- ▶ Kings River Water Association - Attended a recent meeting; another is planned in the near future.
- ▶ White Pine Renewables meeting to investigate possibility of utilizing solar power in the District.

PUBLIC OUTREACH

- ▶ District Flyer - The first monthly flyer for February was sent to all growers and landowners via U.S. Mail on February 26th. Future flyers will be emailed shortly after each Board meeting. Staff was complimented on the content and presentation.

VII. SUPERINTENDENT'S REPORT

MAINTENANCE

- ▶ Well Field - Two new replacement wells are now in service (Lateral A, Main Canal). Others are being repaired. Three boosters are also under repair.
- ▶ Weed Control
 - District Conveyance System - J.R. Simplot Company has finished applying pre-emergent on all laterals and the Main Canal.
 - Water Hyacinth - Information is pending on a quote for control of water hyacinth in the James Bypass west of P Booster. In the interim, tines were affixed to the excavator bucket to pull growth from the waterway. A brief video was played illustrating removal activities and the extent of the infestation which covers approximately 1½ miles nearly blocking flow

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into the Main Canal. Mr. Mancini stated the District's efforts will be futile if the California Department of Fish & Game doesn't address control of aquatic weeds in the Mendota Pool. He anticipates this will become an ongoing maintenance issue in the future.

ADMINISTRATIVE MATTERS

- ▶ Weed Control / Organic Crops - PCR Farms plans to farm organically and is seeking permission to control weeds on ditch banks adjacent to their fields. It was the consensus of the Board that the District is legally responsible for maintaining its conveyance system but will be sensitive to the farming practices of its growers.
- ▶ Gates Across Slough - Gold Leaf Farms has requested permission to construct gates across the Fresno Slough at Manning Avenue to Lateral E. The Board was agreeable but emphasized growers/landowners must provide pass keys to the District and Fresno County if gates are located on a County right-of-way.

VIII. ACTION ITEMS

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

Dylan Dupre, President of White Pine Renewables, was introduced to the Board and presented their proposal as follows:

- White Pine Renewables analyzed the last 12 months of PG&E utility bills for the 50 highest meters. Under PG&E's Renewable Energy Self-Generation Bill Credit Transfer Program (RES-BCT) one <5 MWac project could be built for a maximum of 50 individual crediting meters. The project is projected to provide 80% of the total load on 50 designated PG&E meters potentially reducing the District's power bill by 53%.
- White Pine Renewables would develop, own and operate the project to be constructed within the K Basin Recharge facility within a basin on 35 acres nearest Placer Avenue where connection to the PG&E system is readily available. Steel beams will be driven 5-6 feet into the ground to support solar panels that will be elevated 3 feet above the high water line.
- The RES-BCT Program has only 30 MW capacity left of 105.25 MW which was PG&E's share of the 250 MW program goal. The deadline for applications is March 31, 2021. Mr. Dupre urged the Board to act as soon as possible as only 15 MW remains uncommitted and is offered strictly on a first-come-first-served basis.
- If the District does not utilize its solar power (e.g., flood years), the District would still be charged but billings would be offset by accumulated credits. A maximum of 50 meters can be assigned to the system with additions/deletions allowed once a year. The goal would be to have the system activated February-March, 2022, with annual adjustments, if necessary, made during each February/March thereafter.

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- James Irrigation District would have no monetary outlay until the system is fully constructed and activated. Once activated, power would be purchased under a 25-year Power Purchase Agreement at a flat rate with a 1.5% escalator per draft provided.
- Upon expiration of the Agreement the District may: (1) remove equipment and terminate the agreement; (2) renegotiate the contract/rate; or (3) buy the equipment at a depreciated value.
- In response to the Board's inquiry as to whether grower meters could be assigned in years when the District isn't using the power, Mr. Dupre indicated meters assigned must be under the District's name.

It was the consensus of the Board to:

1. Authorize staff to move forward, obtain sample contract, continue research and have all questions answered.
2. Request Provost & Pritchard provide an analysis comparing the White Pine Renewables program to PWRPA.
3. Request counsel, Alan Doud, examine/critique the draft Power Purchase Agreement.
4. Contact PWRPA for cost analysis.
5. Schedule a Special Meeting as soon as possible to review information requested.

B. SOLAR PROPOSAL: CENERGY SOLAR (03/09/2021)

Information was not available; however, it was noted the Cenergy program would require 3-4 locations and the District would pay to construct/own the system

C. ANNUAL SALARY REVIEW (03/09/2021)

Messrs. Barcellos and Chaney volunteered to serve with the General Manager as an ad hoc committee to develop recommendations to the full Board for salary increases, salary ranges, benefit package modifications and/or employee policy changes.

IX. REPORT ITEMS

A. SEXUAL HARASSMENT PREVENTION TRAINING & EDUCATION (01/12/2021)

The Board was reminded of the Sexual Harassment Prevention Training class scheduled for Tuesday, April 20, 2021, at 9:00 a.m.

B. SEMI-ANNUAL STAFF APPRECIATION LUNCHEON (03/09/2021)

Considering the ongoing COVID-19 pandemic and CDC guidelines recommending avoidance of social gatherings, the Board elected to forego the semi-annual staff appreciation luncheon.

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ADJOURNED TO CLOSED SESSION AT 11:47 A.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.

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

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

A. FRESNO COUNTY APN #030-080-13T, #030-080-17T

Negotiating Parties: James Irrigation District: General Manager/Designee

Larry W/Terri E. Chaney Trust: Riley Chaney

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

B. 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

C. 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.

RECONVENED IN OPEN SESSION AT 12:29 P.M.

XII. REPORT ON ACTIONS TAKEN DURING CLOSED SESSION

No reportable actions were taken during the Closed Session.

XIII. ADJOURN

There being no further business to come before the Board, the meeting was ADJOURNED at 12:30 p.m., until a Special Meeting, date to be determined.

RECORDED BY:

APPROVED BY:

Donna Y. Hanneman, Executive Assistant

Riley Chaney, President

Manny Amorelli, General Manager

ATTACHMENTS:

1. Interim Warrants: February 10-March 9, 2021, \$297,823.26
2. Accounts Payable: \$50,720.10
3. Payroll Certification: Pay Periods Ending February, 2021, \$59,326.43 (net)