

JAMES IRRIGATION DISTRICT

BOARD OF DIRECTORS - REGULAR MEETING

MINUTES November 9, 2021

ATTENDANCE

DIRECTORS PRESENT

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

EXCUSED

None

ABSENT

None

STAFF PRESENT

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

LANDOWNERS / GROWERS

None

PUBLIC / CONSULTANTS

- WATER WISE
Sarah Woolf
Kristi Robinson (Zoom)
- WHITEPINE RENEWABLES
Dylan Dupre (Zoom: 10:39-11:00 a.m.)
- McMULLIN AREA GROUNDWATER SUSTAINABILITY AGENCY
Matt Hurley, General Manager (Zoom)

LEGAL COUNSEL

- YOUNG WOOLDRIDGE, LLP
Alan F. Doud, Esq. (Zoom)

I. CALL TO ORDER

A Regular Meeting of the Board of Directors of JAMES IRRIGATION DISTRICT ("District") was held Tuesday, November 9, 2021, 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, 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. Some members of the Board of Directors were participating via internet/Zoom from remote locations. Members of the public were encouraged to access the meeting via internet/Zoom or use the call-in number to allow them to fully participate in the meeting without having to be present.

II. RESOLUTION 2021-04 INITIALLY AUTHORIZING REMOTE TELECONFERENCE MEETINGS UNDER AB361

Adopting this resolution will allow the District's Board of Directors to conduct meetings via teleconference and/or remotely via the internet in conformity with Government Code section 5495.3(e) as amended by AB361 so long as a COVID19 state of emergency exists.

M/S/C (J.HUGHES / R.MOTTE), to ADOPT RESOLUTION 2021-04 (Att.1)

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

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III. OTHER BUSINESS / PUBLIC COMMENTS

A. PUBLIC COMMENTS

None.

B. ADDITIONS / CORRECTIONS TO THE AGENDA

There were no corrections/additions to the Agenda.

- ▶ On-Farm Groundwater Recharge Policy - Director Robert Motte requested an item be placed on the next Agenda focusing on giving consideration to allowing flood irrigation on permanent crop land and establishing a policy for recharge. He also requested this topic be discussed at the next James Groundwater Sustainability Agency meeting.

C. POTENTIAL CONFLICTS OF INTEREST [FPPC §87105]

Directors were given an opportunity to identify potential conflicts-of-interest with items appearing on the Agenda.

- ▶ Director Robert Motte declared he had a conflict-of-interest in association with Closed Session Agenda Item XIII.B.4., Fresno County APN #030-370-32S, and stated he would be recusing himself from discussing and/or initiating any action as the subject property is owned by his father's trust.

IV. MINUTES

A. REGULAR MEETING: OCTOBER 12,, 2021

B. SPECIAL MEETING: OCTOBER 26, 2021

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

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

V. TREASURER'S REPORT

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

A. FINANCIAL REPORTS

1. Interim Warrants: October 13-November 9, 2021 (Att.2)
2. Accounts Payable (Att.3)

Interim Warrants (bills paid) with supporting invoices and Accounts Payable invoices (unpaid bills) were presented for review/approval. M/S/C (M.COMBS / R.MOTTE), to RATIFY/APPROVE Interim Warrants totaling \$452,315.71 and AUTHORIZE/APPROVE payment of Accounts Payable totaling \$517,963.27 by the following vote:

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

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3. Payroll Certification: Pay Periods Ending October, 2021 (Att.4)

A listing of payroll checks totaling \$66,078.88 (net) issued to employees and Board members for pay periods ending October, 2021, was reviewed and certified by the President, General Manager and Office Manager.

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

▶ Power Costs - Extensive discussion focused upon the 2021-22 budget overage. Mr. Amorelli, reported he is actively working with PG&E and PWRPA to get more accurate data noting there will be a true-up with PWRPA after the PG&E Wholesale Distribution Tariff litigation is settled. The following reports were requested for next meeting:

- A projection of how much the budget will be exceeded for the 2021-2022 fiscal year.
- PG&E is seeking CPUC approval of an 18% increase. While this may not materialize, requested monthly projections of (1) 18% and (2) 9% for the 2022-23 fiscal year. It was suggested we budget high and refund growers if/when solar activation yields savings.
- Additionally, consultant Sarah Woolf recommended month-by-month projections be presented to include projected impact of solar activation & change fees.

It was the consensus of the Board that the ultimate goal is to maintain current irrigation billing rates.

5. Cash Position Report: October 31, 2021

6. Accounts Receivable Activity Report: October 31, 2021

VI. GENERAL MANAGER'S REPORT

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

OPERATIONS

- ▶ Water Deliveries: October, 2021 - Water deliveries for the month of October were 2,289 acre-feet which is 765 acre-feet less than was delivered during October, 2020. The fiscal year-to-date total deliveries are at 49,970 acre-feet which is 994 acre-feet more than was delivered at this time during the last fiscal year.
- ▶ Weekly TDS Readings: November 8, 2021

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▶ 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 October, 2021, were reviewed.
 - Water Hyacinth
 - Staff from the San Luis & Delta-Mendota Water Authority inspected hyacinth growth in the Mendota Pool & James Bypass areas.
 - On October 19th, the Mendota Wildlife Refuge was sprayed by West Valley by air from James Road to Highway 180. The next aerial application will be done next spring.

MAINTENANCE

▶ Wells

- Arthur & Orum is drilling a test well on the Harris property, APN 030-060-48 PTN. Ken Schmidt will be contacted to interpret the e-log analysis.
 - The Board suggested procuring generators for next year so new wells can be utilized if PG&E service hasn't been activated.
- Met with retired General Manager, John Mallyon, on October 22nd to review well pumping, water storage operations.

▶ Weed Control

Simplot will be applying pre-emergent spray later this month and will include the McMullin line, laterals L and M and possibly more.

PROJECTS

▶ Solar Project: WhitePine Renewables (K Basin)

Mr. Amorelli reported the 4kW project is on track; however, the 1 kW installation has been delayed by the PG&E approval process. Surveys of both sites have been completed and quotes for CEQA studies are under review. Having difficulty obtaining the solar modules due to the supply chain problem.

Dylan Dupre, WhitePine Renewables, joined the meeting remotely and updated the Board as follows:

- There has been a delay with the PG&E interconnection agreement.
- Engineering drawings are nearly complete.
- Solar panels are stuck in ports.
- Delays with the PG&E approval process are also anticipated.
- Mr. Dupre stated he wanted to be "up-front" but was unsure about being able to meeting the February/March, 2022, activation date as originally planned. A May, 2022, start-up may be possible but PG&E approval could delay the process. Given the circumstances, he

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inquired whether the Board wished to deal with the delay or press forward? The Board instructed Mr. Dupre to push forward and District staff will press PG&E.

- The Board remained firm on a February/March, 2022, activation date but inquired if the project is activated in May, can dates be changed in the future to be able to adjust back to February/March? Mr. Dupre responded it could be done but the District would forfeit unused credits.
- It was the consensus of the Board to “move forward fast”.

▶ Infrastructure Improvements

Messrs. Amorelli and Mancini met with Dr. Charles Burt, Cal/Poly, San Luis Obispo, on October 20th. Dr. Burt attended a Special Meeting with the Board on October 26th.

ACTIVITIES

▶ Mendota Pool Group (MPG)

- Met with Tranquillity Irrigation District and the MPG on October 25th to discuss operations for the coming year.
- Met on October 27th and discussed hyacinth control efforts. The MPG plans to continue holding at least two meetings a year.

ADMINISTRATIVE ITEMS

▶ Equipment

- 2020 Chevrolet Welder Truck was sold October 29th to Water Conditioning of Merced for \$45,000.00.
- Wheeled Excavator - Quinn Company has scheduled delivery of a demonstrator unit the first week of December.
- Field Forklift - Sequoia Equipment Co. is scheduled to deliver a demonstrator today.
- Backhoe - Sequoia Equipment Co. has indicated the new Case Loader Backhoe 590SN will be delivered February, 2022.

VII. SUPERINTENDENT'S REPORT

Mr. Mancini indicated the crew is finishing irrigations, mowing & cleaning tumbleweeds, cleaning the shop yard, performing repairs on wells/boosters, ditches and meters, as well as few new headgate installations.

VIII. DIRECTORS' REPORTS

None were presented.

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IX. ACTION ITEMS

A. CAPITAL IMPROVEMENT PROJECTS (07/28/2021)

Continued discussion on no-cost engineering services available through the ITRC Cal Poly, San Luis Obispo. M/S/C (R.MOTTE / R.BARCELLOS), to AUTHORIZE DR. CHARLES BURT TO DEVELOP AN ONGOING, DISTRICT-WIDE INFRASTRUCTURE MODERNIZATION/AUTOMATION PLAN WITH ASSISTANCE FROM DISTRICT STAFF:

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

B. DISTRICT VEHICLE PURCHASES (11/09/2021)

Mr. Amorelli noted the District has historically budgeted/purchased two new replacement pickups each year at this time. Due to the ongoing semiconductor chip shortage, new units are not available. He contacted fleet managers investigating the availability of used units and found ½-ton, single-cab, short-bed pickups with 10,000-20,000 miles at \$30,000-\$40,000 each.

M/S/C (J.HUGHES/R.MOTTE), to AUTHORIZE THE PURCHASE OF TWO (2) NEW/USED REPLACEMENT PICKUPS.

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

Mr. Amorelli assured the Board that he will maintain contact with H&J Chevrolet for new vehicles.

C. WINTER DELIVERIES (08/13/2019)

DIRECTOR ROBERT MOTTE RECUSED HIMSELF FROM DISCUSSING AND/OR TAKING ACTION ON THIS MATTER AS HE HAS REQUESTED IRRIGATION DELIVERY AFTER THE NOVEMBER 24, 2021, TERMINATION DATE.

Discussed coordinating winter irrigation deliveries and maintenance activities and billing rates for service. Only four growers have requested irrigation deliveries after the November 24th termination date. M/S/C (R.CHANEY / M.COMBS), to:

- ▶ DENY the following requests as growers reconsidered/withdrew their requests:
 - (1) Billy Ezernack
 - (2) Ariana Farms
- ▶ APPROVE the following winter deliveries at the standard billing rate of \$140.00/acre-foot as water is already in Lateral E and irrigations will help drain the system:
 - (3) A&A Farms
 - (4) Motte Ranches

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

ABSTAIN: 1 (R.Motte)

D. RESOLUTION 2019-04 AUTHORIZING FUNDING OF THE JAMES GROUNDWATER SUSTAINABILITY AGENCY (11/09/2021) - Discussed funding authorization last approved under Resolution 2019-04 on October 8, 2019. Historically, the District has funded the James GSA to a maximum of \$200,000/year as outlined in the Groundwater Sustainability Plan. There were no draws for 2021; however, activity is expected to accelerate in 2022 when the DWR is expected to advise whether

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GSPs are in compliance. Mr. Amorelli sought approval of funding up to \$115,000 for 2022-23 which when added to the amount funded by the Proposition 218 initiative would total \$200,000.00 for the year, to be drawn only if/when necessary. M/S/C (M.COMBS / R.MOTTE), to BUDGET A MAXIMUM OF \$115,000 TO BE DRAWN UPON ONLY WHEN NECESSARY.

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

X. REPORT ITEMS

None.

ADJOURNED TO CLOSED SESSION AT 11:16 A.M.

Directors Attending:

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

Staff Attending

Manny Amorelli, General Manager

Consultants:

- Water Wise
Sarah Woolf

Legal Counsel

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

MR. AMORELLI WAS EXCUSED FROM THE MEETING PRIOR TO DISCUSSION OF THE FOLLOWING MATTER.

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

1. TITLE: GENERAL MANAGER

MR. AMORELLI RETURNED TO THE MEETING AFTER DISCUSSION.

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

4 CASES

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XIII. 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 HAALAND, ET AL
U.S. District Court for the Eastern District of California
Case No. 1:5-CV-01207LJO-GSA
2. CENTER FOR BIOLOGICAL DIVERSITY, RESTORE THE DELTA AND PLANNING & CONSERVATION LEAGUE V UNITED STATES BUREAU OF RECLAMATION ETAL (06/08/2021)
United States District Court, Eastern District of California
Case No. 1:20-CV-00706 DAD-EPG

B. AS PLAINTIFF: 4 CASES

COUNSEL ALAN DOUD CITED A CONFLICT-OF-INTEREST AND WAS NOT PRESENT DURING DISCUSSION OF ITEMS 1 & 2, BELOW.

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

ALTHOUGH EARLIER DECLARING A POTENTIAL CONFLICT-OF-INTEREST, DIRECTOR ROBERT MOTTE REMAINED PRESENT AS THE FOLLOWING MATTER WAS NOT DISCUSSED.

4. FRESNO COUNTY APN 030-370-32S
Eminent Domain proceedings for District wellsite on property owned by the Frank V. Motte Testamentary Trust

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

A. 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

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

Negotiating Parties: James Irrigation District: General Manager/Designee

Various CVP Contractors: General Managers or Designees

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

C. WATER BANKING & TRANSFERS (06/22/2021)

Negotiating Parties: James Irrigation District: General Manager/Designee

McMullin Groundwater Sustainability Agency

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

D. FRESNO COUNTY APN #030-381-10S, SAN JOAQUIN, CA

Negotiating Parties: James Irrigation District: General Manager/Designee

Landowner: Hedman Ranches, Inc.

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

RECONVENED IN OPEN SESSION AT 11:43 A.M.

XV. REPORT ON ACTIONS TAKEN DURING CLOSED SESSION

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

XVI. CHANGES TO EXECUTIVE COMPENSATION OR BENEFITS

The Board discussed and orally reported a summary recommendation for a proposed change in salary for the General Manager. The change and the vote were as follows:

1. TITLE: GENERAL MANAGER

M/S/C (R.CHANEY/M.COMBS), to APPROVE A SALARY INCREASE OF \$30,000/YEAR FROM \$145,000/YEAR TO \$175,000/YEAR EFFECTIVE NOVEMBER 1, 2021.

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

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XVII. ADJOURN

There being no further business to come before the Board, M/S/C (M.COMBS / R.BARCELLOS), to ADJOURN the meeting at 11:48 a.m., until the next Regular Meeting scheduled for Tuesday, December 14, 2021, by the following vote:

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

RECORDED BY:

APPROVED BY:

Donna Y. Hanneman, Executive Assistant

Riley Chaney, President

Manny Amorelli, General Manager

ATTACHMENTS:

1. Resolution 2021-04 Initially Authorizing Remote Teleconference Meetings Under AB361, Adopted November 9, 2021
2. Interim Warrants: October 13-November 9, 2021, \$452,315.71
3. Accounts Payable: \$517,963.27
4. Payroll Certification: Pay Periods Ending October, 2021, \$66,078.88 (net)