

JAMES IRRIGATION DISTRICT

BOARD OF DIRECTORS - REGULAR MEETING

MINUTES February 8, 2022

ATTENDANCE

DIRECTORS PRESENT

Riley Chaney, President
Jeremy Hughes, Vice-President
Robert Motte, Secretary-Treasurer
Robert Barcellos, Assessor (Arr.10:05 a.m.)
Micah Combs

EXCUSED

None

ABSENT

None

STAFF PRESENT

Manny Amorelli, General Manager
Walter Flores, Office Manager
Kenneth Mancini, Superintendent (Arr.10:08 a.m.)
Donna Hanneman, Executive Assistant

LANDOWNERS / GROWERS

Manuel Almanza, Gold Leaf Farms

PUBLIC / CONSULTANTS

- WATER WISE
Sarah Woolf
Kristi Robinson (Zoom)
- WHITEPINE RENEWABLES
Evan Riley, Chief Executive Officer (Zoom)
- 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, February 8, 2022, in the District office located at 8749 Ninth Street, San Joaquin, California. The meeting was called to order at 10:02 a.m., by President, Riley Chaney. A quorum was at all times present and acting.

II. RESOLUTION RENEWING USE OF REMOTE TELECONFERENCE MEETINGS UNDER AB361

Considered re-approving findings made in Resolution 2022-01 (01/11/2022) to enable remote teleconference and/or internet meetings to continue under the Ralph M. Brown Act so long as a state of emergency continues to exist from COVID-19.

M/S/C (J.HUGHES / R.MOTTE), to ADOPT RESOLUTION 2022-02 RENEWING USE OF REMOTE TELECONFERENCE MEETINGS UNDER AB361. (Att.1)

AYES: 4 (J.Hughes, R.Motte, M.Combs, R.Chaney)
ABSENT: 1 (R.Barcellos)

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III. OTHER BUSINESS / PUBLIC COMMENTS

A. PUBLIC COMMENTS

None.

B. James Irrigation District Anniversary of Formation

It was noted that February 16th will mark the 102nd anniversary of the District's formation.

C. MOMENT OF SILENCE

A moment of silence was observed to honor the passing of WILLIAM "BILL" SOARES (09/28/1939-01/20/2022), former long-time resident and owner of the San Joaquin Pharmacy (now closed).

D. ADDITIONS / CORRECTIONS TO THE AGENDA

There were no corrections/additions to the Agenda.

E. 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.

IV. MINUTES

A. REGULAR MEETING: JANUARY 11, 2022

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

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

ABSENT: 1 (R.Barcellos)

V. TREASURER'S REPORT

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

A. FINANCIAL REPORTS

1. Interim Warrants: January 12-February 8, 2022 (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/J.HUGHES), to RATIFY/APPROVE Interim Warrants totaling \$195,700.38 and AUTHORIZE/APPROVE payment of Accounts Payable totaling \$77,466.85 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 January, 2022 (Att.4)
A listing of payroll checks totaling \$53,677.61 (net) issued to employees and Board members for pay periods ending February, 2022, was reviewed and certified by the President, General Manager and Office Manager.
4. Annual Report of Remuneration to Board of Directors: January 1-December 31, 2021
5. Income Statements (Budget-to-Actual): Period Ending January 31, 2022
Expressed continued concern regarding escalation of power costs.
6. Cash Position Report: January 31, 2022
7. Accounts Receivable Activity Report: January 31, 2022

VI. **GENERAL MANAGER'S REPORT**

Mr. Amorelli presented his verbal report encompassing operations, maintenance, projects and other District matters for the month of January, 2022, as follows:

OPERATIONS

- ▶ Water Deliveries: January, 2022 - Water deliveries for the month of January were 45 acre-feet which is 853 acre-feet less than was delivered during January, 2021. The fiscal year-to-date total deliveries are at 51,273 acre-feet which is 1,135 acre-feet less than was delivered at this time during the last fiscal year.

AGENCIES

- ▶ Kings Basin Coordinating Committee
 - California Department of Water Resources' (DWR) comments on the Kings Groundwater Subbasin Groundwater Sustainability Plan were reviewed. The Basin subsequently met with the DWR on February 4th. Provost & Pritchard Consulting Group is working on bringing the GSP into compliance.
- ▶ McMullin Area Groundwater Sustainability Agency (MAGSA) monthly meeting was attended by Messrs. Amorelli and Motte. Thanked Matt Hurley for making them feel welcome.

ACTIVITIES

- ▶ 2022 Mid-Pacific Water Users Conference, January 19-21, 2022, Reno, NV
 - Reported on attendance at the Conference where he socialized with staff from the San Luis & Delta-Mendota Water Authority and Exchange Contractors.

ADMINISTRATIVE ITEMS

- ▶ Equipment: Automotive - A 2022 Chevrolet Colorado Pickup (VIN 106629) was purchased for \$33,295.05 from John L. Sullivan Chevrolet, Roseville, and was recently delivered.

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VII. SUPERINTENDENT'S REPORT

- ▶ Bridge replacement/Lateral H is in process. Inspecting other crossings to determine if repair/replacement is needed.
- ▶ Dredging of select laterals has been completed.
- ▶ Laterals have been filled. Removing tumbleweeds.
- ▶ Well repairs and maintenance continues.

VIII. DIRECTORS' REPORTS

None were presented.

IX. ACTION ITEMS

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

Evan Riley, Chief Executive Officer, Whitepine Renewables, updated the Board on construction of 1MW & 4MW solar array fields within the K Basin Recharge facility as follows.

- Project is currently behind schedule compared to the original plan. Mr. Riley accepted responsibility but assured the Board they are doing everything possible to move the project forward.
- As PG&E facilities was unable to accommodate a single 5MW project, the Project was downsized to one 4MW and one MW installation which delayed the project by 3½ months.
- Imported materials (panels) have been delayed.
- The CEQA process is taking longer than anticipated. Expect to have a draft within the next 10 days to District for review/approval.
- Hope to be onsite June 1st with construction to last 4-5 months. Project should be operational Fall, 2022.
- The turn-on date can be postponed to February/March, 2023, at no cost to the District. If that is the Board's preference, they would proceed with construction schedule but delay activation date.

B. RESOLUTION: AUTHORIZATION FOR FRESNO IRRIGATION DISTRICT TO FILE AN APPLICATION FOR A GRANT UNDER THE PROPOSITION 68 SUSTAINABLE GROUNDWATER IMPLEMENTATION GRANT PROGRAM AND TO ENTER INTO AN AGREEMENT WITH THE CALIFORNIA DEPARTMENT OF WATER RESOURCES ON BEHALF OF JAMES IRRIGATION DISTRICT (02/08/2022) - Fresno Irrigation District was requested by Consolidated Irrigation District, James Irrigation District and Laguna Irrigation District in making application for funding under the 2021 Sustainability Groundwater Management (SGM) Grant Program Implementation Grant to assist with implementation of their respective Groundwater Sustainability Plans. As the DWR requires only one application per subbasin for this funding, FID has been requested by these agencies to assist with implementation of their respective GSPs. Approving this Resolution will give Fresno Irrigation District authorization to act on their behalf.

M/S/C (M.COMBS/J.HUGHES), to APPROVE RESOLUTION 2022-03 AUTHORIZING FRESNO IRRIGATION DISTRICT TO FILE AN APPLICATION FOR A GRANT UNDER THE PROPOSITION 68 SUSTAINABLE

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GROUNDWATER IMPLEMENTATION GRANT PROGRAM AND TO ENTER INTO AN AGREEMENT WITH THE CALIFORNIA DEPARTMENT OF WATER RESOURCES ON BEHALF OF JAMES IRRIGATION DISTRICT. (Att.5)

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

C. DISTRICT WELL CONSTRUCTION (02/08/2022)

Mr. Amorelli discussed well construction/development as follows.

- Arthur & Orum elogs for two wells were provided to Ken Schmidt for analysis/recommendation.
- Rain4Rent and other developer quotes are pending. Expect mid-March due to a drilling problem.
- Myers Bros. Well Drilling is working on Lateral D. The elog will be sent to Ken Schmidt. Expect to drill in March.

The Board requested Mr. Amorelli search for other developers to expedite and start 2023-24 planning now as it appears 1-year advance planning is not enough under the current high demand.

Mr. Amorelli also reported a diesel backup engine currently rents for \$5,700/month and is priced at \$80,000 to purchase new.

D. WATER POLICY: PURCHASE OF SURPLUS WATER FOR GROUNDWATER RECHARGE (07/13/2021)

Discussed proposed policy authorizing purchase of surplus water for groundwater recharge. No action taken. Item carried forward.

E. WATER POLICY: ON-FARM RECHARGE (12/14/2021)

Discussed proposed policy allowing flood irrigation (rather than drip/micro sprinklers) on permanent crops, establishing a policy for on-farm recharge to achieve recharge credit; adjust billing rate. Additional suggestions as follows:

- The Board of Directors would have to approve an alternative to flood irrigation prior to providing water for these purposes.
- The cost of water will be determined annually by the Board of Directors.
- James Irrigation District will not be held liable for crop mortality.

F. DISTRICT EQUIPMENT: PICKUP TRUCKS/HEAVY EQUIPMENT (02/08/2022)

Discussed procurement of District pickups/heavy equipment as follows:

- Automotive Equipment / Pickups - As ½-ton, single cab pickups are difficult to locate at present, the Board took no action.
- Wheeled Excavator (used) purchase price was quoted at \$265,000. When asked, Mr. Mancini indicated operators felt a track unit was better able to safely access ditch banks. There was

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not a consensus on purchasing the wheeled excavator. Some Directors urged caution considering (1) projected budget shortfall and (2) anticipating poor outlook for CVP/riparian allocations.

Mr. Amorelli was requested to report how many hours on the unit and confirm the purchase price next meeting.

G. ANNUAL MEETING (01/11/2022)

DEFERRED discussion to March, 2022, Regular Meeting to set date, agenda items, and arrangements for a potential 2022 Annual Meeting.

H. STRATEGIC PLANNING (02/08/2022)

Discussed organizing an ongoing long-term planning session. It was agreed to schedule an annual meeting offsite to include the Board, engineers and key employees mid-June, 2022, to set future plans. The date for the initial meeting will be set next meeting.

I. ANNUAL SALARY REVIEW (02/08/2022)

M/S/C (R.CHANEY / J.HUGHES), to APPOINT MICAH COMBS and ROBERT MOTTE 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 to take effect June 1:

AYES: 3 (R.Chaney, J.Hughes, R.Barcellos)

NAYS: 2 (M.Combs, R.Motte)

J. FISCAL BUDGET: MARCH 1, 2022-FEBRUARY 28, 2023 (01/11/2022)

Discussed 2022-2023 Budget forecast predicated on 75% Rights Water allocation (7,600 acre-feet)/zero CVP.

M/S/C (R.MOTTE / M.COMBS), to APPROVE THE MARCH 1, 2022-FEBRUARY 28, 2023 FISCAL BUDGET as presented: (Att.6)

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

NAYS: 2 (J.Hughes, R.Chaney)

President Chaney requested information on the Proposition 218 process for billing rate adjustment be provided next month. He expressed concern that rates cannot be increased under current rules (Resolution 2011-02, 02/15/2011). Mr. Amorelli will include the topic in his "General Manager's Report" next month.

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X. REPORT ITEMS

A. ANNUAL FILING OF STATEMENT OF ECONOMIC INTEREST FORMS (02/08/2022)

As required by the Political Reform Act, Gov. Code §81000-91015, all Directors must file annual Conflict-of-Interest forms (Form 700) no later than April 1, 2022. Staff will assist upon request.

ADJOURNED TO CLOSED SESSION AT 11:44 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. (Zoom)

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

4 CASES

XII. 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 ET AL (06/08/2021)
United States District Court, Eastern District of California
Case No. 1:20-CV-00706 DAD-EPG

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

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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

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

A. TITLE: DITCH TENDER/MAINTENANCE (1)

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

Negotiating Parties: James Irrigation District: General Manager/Designee
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 (06/22/2021)

Negotiating Parties: James Irrigation District: General Manager/Designee
McMullin Groundwater Sustainability Agency: General Manager

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

RECONVENED IN OPEN SESSION AT 12:03 P.M.

XV. REPORT ON ACTIONS TAKEN DURING CLOSED SESSION

The General Manager stated there were no reportable actions were taken during Closed Session.

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Discussion and actions were taken in the following manner in Open Session:

- A. TITLE: DITCH TENDER/MAINTENANCE (1)
1. EMPLOYEE: JOSE BERBER SOLIS
Hired: July 6, 2021, Full-time/Regular, Non-Exempt
Action: M/S/C (M.COMBS / R.BARCELLOS), to approve \$1.00/hour increase from \$15.00/hour to \$16.00/hour effective January 1, 2022.
AYES: 5 (M.Combs, R.Barcellos, J.Hughes, R.Motte, R.Chaney)

XVI. ADJOURN

There being no further business to come before the Board, M/S/C (J.HUGHES / M.COMBS), to ADJOURN the meeting at 12:05 p.m., until the next Regular Meeting scheduled for Tuesday, March 8, 2022, by the following vote:

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

RECORDED BY:

APPROVED BY:

Donna Y. Hanneman, Executive Assistant

Riley Chaney, President

Manny Amorelli, General Manager

ATTACHMENTS:

1. Resolution 2022-02 Renewing Use of Remote Teleconference Meetings Under AB361, Adopted February 8, 2022
2. Interim Warrants: January 12-February 8, 2022, \$195,700.38
3. Accounts Payable: \$77,466.85
4. Payroll Certification: Pay Periods Ending January, 2022, \$53,677.61 (net)
5. Resolution 2022-03 Authorization for Fresno Irrigation District to File and Application for a Grant Under the Proposition 68 Sustainable Groundwater Implementation Grant Program and to Enter into an Agreement with the California Department of Water Resources on Behalf of James Irrigation District, Adopted February 8, 2022
6. Fiscal Budget: March 1, 2022-February 28, 2023, Approved February 8, 2022