

# JAMES IRRIGATION DISTRICT

BOARD OF DIRECTORS - REGULAR MEETING

MINUTES  
August 16, 2022

## ATTENDANCE

### DIRECTORS PRESENT

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

### LANDOWNERS / GROWERS

Christopher Chaney  
Thomas W. Chaney  
Andrew Groppetti  
Gerald W. Kinnunen

### EXCUSED

None

### ABSENT

None

### PUBLIC / CONSULTANTS

- McMULLIN AREA GROUNDWATER SUSTAINABILITY AGENCY  
Matt Hurley, General Manager (Zoom)  
Matthew Abercrombie (Zoom)

### STAFF PRESENT

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

### LEGAL COUNSEL

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

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## I. CALL TO ORDER

A Regular Meeting of the Board of Directors of JAMES IRRIGATION DISTRICT ("District") was held Tuesday, August 16, 2022, in the District office located at 8749 Ninth Street, San Joaquin, California. The meeting was called to order at 1:01 p.m., by President, Riley Chaney. A quorum was at all times present and acting.

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 RENEWING USE OF REMOTE TELECONFERENCE MEETINGS UNDER AB361

As all members of the Board of Directors were present, no action was taken to adopt this Resolution allowing the Board to conduct meetings via teleconference and/or remotely in conformity with Government Code section 54953(e) as amended by AB361.

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## III. OTHER BUSINESS / PUBLIC COMMENTS

### A. PUBLIC COMMENTS

None.

### B. MEETING DATE CHANGE

It was noted for the record that the August 9<sup>th</sup> Regular Meeting was ADJOURNED to this date due to scheduling conflicts.

### C. MOMENT OF SILENCE

A moment of silence was observed to honor the passing of:

- ▶ DIANE (KINNEY) HANNEMAN (05/22/1944-07/14/2022) former District Secretary (04/1970-01/15/1971)
- ▶ ANTHONY "TEX" CARVALHO (01/05/1931-08/14/2022) landowner, grower and long-time member of the Board of Trustees of Reclamation District No. 1606 (1998-2007)

### 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.

- ▶ Director Jeremy Hughes declared he had a potential conflict-of-interest with item XVI. CLOSED SESSION: GOVERNMENT CODE §54956.8- CONFERENCE WITH REAL PROPERTY NEGOTIATOR, Item G., FRESNO COUNTY APN 030-090-29S (4.66 ACRES), APN030-090-30S (2.03 ACRES). Mr. Hughes stated he would be recusing himself from discussing, initiating any action or voting on the matter.

## IV. HEARING: MAJORITY PROTEST ON PROPOSED INCREASE IN THE DISTRICT'S WATER RATE (03/08/2022)

President, Riley Chaney, opened the Hearing at 1:03 p.m., to consider whether the District should increase its water rate and outlined the manner in which the Hearing would be conducted.

General Manager, Manny Amorelli, described certain procedural matters as follows:

- ▶ The matter of increasing the District's Water Rate has been considered by this Board at length. This led to the Board of Directors adopting Resolution 2022-10 on June 14, 2022. Consistent with the provisions of Proposition 218, the Resolution sets forth the specific procedures under which this District's landowners would have the opportunity to void their opinion on the proposed increase in the Water Rate.

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- ▶ On June 15, 2022, the District transmitted a letter to each District landowner whose property is subject to the proposed Water Rate increase. Enclosed with that letter were the disclosures required by Proposition 218. Consistent with the requirements of Proposition 218, the District relied upon the last equalized property tax roll to accomplish that mailing. He presented an AFFIDAVIT OF MAILING OF NOTICE OF MAJORITY PROTEST HEARING FOR AUGUST 16, 2022, TO LANDOWNERS IN THE JAMES IRRIGATION DISTRICT confirming the mailing of the letters to the District's landowners. (Att.1)
- ▶ Mr. Amorelli then presented additional information supporting the proposed increase in the Water Rate.

Board members were given the opportunity to provide any clarification deemed appropriate.

- Director Barcellos clarified the need to increase rates was necessitated once it became apparent that the previously voter-approved maximum rate of \$140/acre-foot was no longer adequate to support District expenses.

President Chaney then opened the Hearing for questions, comments, objections, and protests by District landowners concerning the proposed increase in the Water Rates.

Landowners inquired/commented as follows:

- ▶ Andrew Groppetti: What is the break-even cost to generate pumped water? Will the rate increase, how much and how quickly?
  - Manny Amorelli: Estimated at \$96.00/acre-foot. He noted the current maximum is at \$140/acre-foot but should be at \$160-\$165/acre-foot due to rapidly escalating PG&E power costs. The impact of solar is unknown.
- ▶ Andrew Groppetti: How can the District be perpetually off budget, especially this far off?
  - Riley Chaney: Budgeting is difficult and is based on the best information available at the time of drafting. He issued assurances that the Board is closely monitoring status of the budget.
- ▶ Tom Chaney: Why the escalation from the \$140/acre-foot cap to \$330/acre-foot cap?
  - Manny Amorelli: Worked with auditor. Last Proposition 218 vote was held in 2011. There is a possibility rates could decline if water supplies increase and solar activation provides benefits as projected.
  - Riley Chaney: The District must act now or it could go insolvent in 2 years.
  - Manny Amorelli: The District cannot legally bill at rates higher than costs to provide service.

## V. CLOSE HEARING

President Chaney then closed the Hearing at 1:29 p.m. and requested all written protests be presented to Mr. Amorelli for tabulation.

Protests submitted previously by mail or in person or at this Hearing, were then opened and tabulated to determine whether a "Majority Protest" had been presented concerning the proposed

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increase in the Water Rates. Mr. Amorelli announced that written protests were submitted for 17 parcels (.047%) out of a total of approximately 357 parcels in the District for which notice was provided.

President Chaney stated in light of the reported count, a Majority Protest (51%) as defined by Proposition 218 did NOT exist and the Board may impose the increased Water Rate.

## VI. MINUTES

### A. REGULAR MEETING: JULY 12, 2022

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

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

## VII. TREASURER'S REPORT

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

### A. FINANCIAL REPORTS

1. Interim Warrants: July 13-August 16, 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 / R.MOTTE), to RATIFY/APPROVE Interim Warrants totaling \$2,246,937.96 and AUTHORIZE/APPROVE payment of Accounts Payable totaling \$458,685.99 by the following vote:

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

3. Payroll Certification: Pay Periods Ending July, 2022 (Att.4)

A listing of payroll checks totaling \$79,917.45 (net) issued to employees and Board members for pay periods ending July, 2022, was reviewed and certified by the President, General Manager and Office Manager.

4. Income Statements (Budget-to-Actual): Period Ending July, 2022

5. Cash Position Report: July 31, 2022

6. Accounts Receivable Activity Report: July 31, 2022

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## VIII. GENERAL MANAGER'S REPORT

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

### OPERATIONS

- ▶ Water Deliveries: July, 2022 - Water deliveries for the month of July were 12,068 acre-feet which is 1,258 acre-feet more than was delivered during July, 2021. The fiscal year-to-date total deliveries are at 38,749 acre-feet which is 2,499 acre-feet more than was delivered at this time during the last fiscal year.
- ▶ Weekly TDS Readings: August 15, 2022
- ▶ 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 July 31, 2022, were reviewed.
  - San Luis & Delta-Mendota Water Authority toured the District.
- ▶ Kings River Water Association
  - KRWA Storage Operations in Pine Flat Reservoir as of July 31, 2022, totaled 2,231 CFS-days.

### MAINTENANCE

- ▶ James Bypass/Water Hyacinth - Group comprised of representatives from the San Luis & Delta-Mendota Authority, Fresno County, Tranquillity Irrigation District and James Irrigation District met in continued efforts to control growth of hyacinth in the James Bypass.

### PROJECTS

- ▶ Solar Projects
  - White Pine Renewables - Solar Projects #1 and #2 at K Basin are anticipated to start October.
  - Pickett Solar - Met with representatives last month who recommended the District wait until WhitePine installations are complete to determine remaining load.
  - Golden State Clean Energy - Recent meeting. Program requires land retirement and will not retire land unless mandated by SGMA.

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## IX. SUPERINTENDENT'S REPORT

Mr. Mancini reported field staff are working on the following projects:

- ▶ General maintenance/repairs
- ▶ Watering roads for dust control
- ▶ Filling rodent holes
- ▶ Pond weed/algae control
- ▶ Spraying water hyacinth.
- ▶ Water samples are being monitored to balance water quality as much as possible.
- ▶ Well repairs
  - Westside Pump service has slowed due to COVID but they think infections are waning.
  - A trend has been observed over the last two years that well production decreases weekly, especially during July.

## X. DIRECTORS' REPORTS

None were presented.

## XI. ACTION ITEMS

### A. BOARD OF EQUALIZATION MEETING

M/S/C (J.HUGHES/R.MOTTE), to CONVENE AS A BOARD OF EQUALIZATION on Tuesday, September 13, 2022, from the hours of 10:00 a.m. to 12:00 p.m. to hear objections, if any, to the valuation, acreage, or any matter pertaining to the 2022-2023 District assessments

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

Notice will be published as prescribed by California Water Code §25550-25559 in *The San Joaquin-Tranquillity West Side Advance*.

### B. WINTER DELIVERIES (08/13/2019)

- ▶ The Board briefly explored the possibility of providing 2022 winter irrigation service. Interested growers will be requested to provide the following information: crop, turnout, delivery date, how long water will be needed to enable the Board to determine the level of interest and winter billing rates.
- ▶ Director Combs requested this topic be considered during Strategic Planning.

### C. STRATEGIC PLANNING (02/08/2022)

Mr. Amorelli has been working with Amy Wolfe on the questionnaire.

### D. SCHEDULE SPECIAL MEETING (08/16/2022)

It was the consensus of the Board to schedule a SPECIAL MEETING ON WEDNESDAY, AUGUST 31, 2022, AT 10:00 A.M., to be devoted to discussion of (a) the Main Canal Feasibility Study and (b) District Modernization Plan.

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## XII. REPORT ITEMS

### A. ETHICS TRAINING (08/16/2022)

Mr. Amorelli noted most Board training certificates expired June, 2022. Young Wooldridge will be requested to assist. Mr. Amorelli will advise.

## XIII. MAJORITY PROTEST ON PROPOSED INCREASE IN THE DISTRICT'S WATER RATE

### A. RECEIVE RESULTS OF TABULATION

See item V. CLOSE HEARING, above.

### B. RESOLUTION RATIFYING RESULTS OF MAJORITY PROTEST ON PROPOSED INCREASE IN THE DISTRICT'S WATER RATE - M/S/C (J.HUGHES / R.BARCELLOS), to ADOPT RESOLUTION 2022-13 CERTIFYING THE RESULTS OF A PROPOSITION 218 MAJORITY PROTEST PROCEEDING ON PROPOSED INCREASES IN THE DISTRICT'S WATER RATE AND SETTING RATES (Att.5)

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

### **ADJOURNED TO CLOSED SESSION AT 2:25 P.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)

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

3 CASES

## XV. 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

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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

## XVI. 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 (04/19/2018)

Negotiating Parties: James Irrigation District: General Manager/Designee  
To Be Determined

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



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D. 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.

E. WHITE PINE RENEWABLES (04/13/2021)

Negotiating Parties: James Irrigation District: General Manager/Designee  
White Pine Renewables: Evan Riley

Under Negotiation: Price, terms and conditions of possible real property transaction.

F. FRESNO COUNTY APN 030-090-24S/15.98 AC, 030-090-28S/366.07 AC (10/16/2012)

Negotiating Parties: James Irrigation District: General Manager/Designee  
Landowner

Under Negotiation: Price, terms of payment.

**CITING A CONFLICT-OF-INTEREST, DIRECTOR JEREMY HUGHES EXCUSED HIMSELF FROM THE MEETING AS HE IS THE OWNER OF THE FOLLOWING PARCEL.**

G. FRESNO COUNTY APN 030-090-29S (4.66 ACRES), APN 030-090-30S (2.03 ACRES) (06/11/2019)

Negotiating Parties: James Irrigation District: General Manager/Designee  
Landowner

Under Negotiation: Price, terms of payment.

**RECONVENED IN OPEN SESSION AT 3:09 P.M.**

**XVII. REPORT ON ACTIONS TAKEN DURING CLOSED SESSION**

No reportable actions were taken during the Closed Session.

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## XVIII. ADJOURN

There being no further business to come before the Board, the meeting was ADJOURNED at 3:10 p.m., until the next Special Meeting scheduled for Wednesday, August 31, 2022.

RECORDED BY:

APPROVED BY:

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Donna Y. Hanneman, Executive Assistant

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Riley Chaney, President

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Manny Amorelli, General Manager

### ATTACHMENTS:

1. Affidavit of Mailing of Notice of Majority Protest Hearing for August 16, 2022, to Landowners in the James Irrigation District, August 16, 2022
2. Interim Warrants: July 13-August 16, 2022, \$2,246,937.96
3. Accounts Payable: \$458,685.99
4. Payroll Certification: Pay Periods Ending July, 2022, \$79,917.45 (net)
5. Resolution 2022-13 Certifying the Results of a Proposition 218 Majority Protest Proceeding on Proposed Increases in the District's Water Rate and Setting Rates, Adopted August 16, 2022