

JAMES IRRIGATION DISTRICT

BOARD OF DIRECTORS - REGULAR MEETING

MINUTES October 11, 2022

ATTENDANCE

DIRECTORS PRESENT

Riley Chaney, President
Robert Motte, Secretary-Treasurer
(Arr.10:27 a.m.)
Robert Barcellos, Assessor
Micah Combs (Left 12:05 p.m.)

LANDOWNERS / GROWERS

Steve Cantu (Arr.10:12 a.m.)
Gerald Kinnunen

PUBLIC / CONSULTANTS

Unidentified (559) 352-6340 (Zoom)

EXCUSED

Jeremy Hughes, Vice-President

• WHITEPINE RENEWABLES

Evan Riley (Zoom: 10:05-10:45 a.m.)

ABSENT

None

• MUJERES PODEROSAS, LLC

Amy Wolfe (Zoom: 10:05-10:32 a.m.)

STAFF PRESENT

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

• WATER WISE

Kristi Robinson (Zoom)

• PROVOST & PRITCHARD CONSULTING GROUP

Eric Abrahamsen, PE (Zoom: 10:05-10:28 am)

• 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, October 11, 2022, in the District office located at 8749 Ninth Street, San Joaquin, California. The meeting was called to order at 10:05 a.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.

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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.

III. OTHER BUSINESS / PUBLIC COMMENTS

A. PUBLIC COMMENTS

None

B. ADDITIONS / CORRECTIONS TO THE AGENDA

As there was deemed to be a need to take immediate action and that the need for action came to the attention of the District subsequent to the posting of the Agenda, M/S/C (R.BARCELLOS / M.COMBS), to ADD (**redlined**) the following item to the Agenda.

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

EXCUSED: 2 (J.Hughes, R.Motte)

Added:

XI. CLOSED SESSION: GOVERNMENT CODE §54957-PUBLIC EMPLOYMENT

A. TITLE: WATER CONSULTANTS

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 Micah Combs declared he had a potential conflict-of-interest with item **XVI. CLOSED SESSION GOVERNMENT CODE §54956.8-CONFERENCE WITH REAL PROPERTY NEGOTIATOR**, Item H., FRESNO COUNTY APN #040-030-46S (6.51 ACRES), and stated he would be recusing himself from discussing, initiating any action or voting on the matter as his sister, Kimberly Combs, is the Landowner.

IV. MINUTES

A. REGULAR MEETING: SEPTEMBER 13, 2022

B. SPECIAL MEETING: OCTOBER 4, 2022

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

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

EXCUSED: 2 (J.Hughes, R.Motte)

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V. TREASURER'S REPORT

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

A. FINANCIAL REPORTS

1. Interim Warrants: September 14-October 11, 2022 (Att.1)

2. Accounts Payable (Att.2)

Interim Warrants (bills paid) with supporting invoices and Accounts Payable invoices (unpaid bills) were presented for review/approval. M/S/C(M.COMBS/R.BARCELLOS), to RATIFY/APPROVE Interim Warrants totaling \$402,432.31 and AUTHORIZE/APPROVE payment of Accounts Payable totaling \$474,634.86 by the following vote:

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

EXCUSED: 2 (J.Hughes, R.Motte)

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

A listing of payroll checks totaling \$74,481.35 (net) issued to employees and Board members for pay periods ending September, 2022, was reviewed and certified by the President, General Manager and Office Manager.

4. Income Statements (Budget-to-Actual): Period Ending September 30, 2022

Despite factoring in across-the-board increases the Board took note of a projected loss. The deficit was attributed to escalating increases in power, fuel and supplies. President Chaney expressed concerns and will discuss the matter with Mr. Amorelli after the meeting.

5. Quarterly Report of Financial Investments: September 30, 2022 Gov. Code §53646

6. Cash Position Report: September 30, 2022

Cash balances total \$7 million, \$2 million less than last year. The decrease was attributed to current inflationary pressures as noted above. President Chaney again expressed concern.

7. Schedule of Long-Term Debt/Notes Payable: September 30, 2022

8. Accounts Receivable Activity Report: September 30, 2022

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VI. GENERAL MANAGER'S REPORT

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

OPERATIONS

- ▶ Water Deliveries: September, 2022 - Water deliveries for the month of September were 4,549 acre-feet which is 457 acre-feet less than was delivered during September, 2021. The fiscal year-to-date total deliveries are at 50,750 acre-feet which is 3,070 acre-feet more than was delivered at this time during the last fiscal year.
- ▶ Weekly TDS Readings: October 3, 2022

MAINTENANCE

- ▶ James Bypass/Water Hyacinth - RD1606, James and Tranquillity Irrigation Districts sent a letter to the San Luis & Delta-Mendota Water Authority, U.S.B.R. and the Kings River Water Association on September 29, 2022, stating that "explosive growth of invasive water hyacinth" has affected water levels during July and made Pool operations "extremely difficult". They were placed on notice that "in its current state, the James Bypass and Mendota Pool up to the Mendota Dam would be ill equipped to handle flows of Kings River flood waters at a magnitude seen during the 2017 and 2019 seasons, and ... levee breaches may be possible." Help was requested to rectify this situation.

PROJECTS

- ▶ Main Canal Feasibility Study compiled by Eric Abrahamsen & Brian Ehlers of Provost & Pritchard Consulting was reviewed at an informative meeting on October 4th with Dr. Charles Burt & Kyle Fiest, of Cal/Poly San Luis Obispo, also in attendance. Provost & Pritchard will be performing surveys of the Main Canal in the near future and was requested to provide monthly updates.
- ▶ Solar Project: Turnkey Energy - Contacted for consultation.

AGENCIES

- ▶ McMullin Area Groundwater Sustainability Agency (MAGSA) - Noted a recent ad hoc committee meeting with Matt Hurley & MAGSA representatives as they work toward a collaborative agreement.

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VII. SUPERINTENDENT'S REPORT

Superintendent, Kenneth Mancini reported on the following projects/activities:

- ▶ New turnouts are being installed.
- ▶ Pushing up E ditch.
- ▶ Weed control continues.
- ▶ Well repairs
- ▶ Main Canal level data has been provided to Provost & Pritchard for survey purposes.

VIII. DIRECTORS' REPORTS

None were presented.

IX. ACTION ITEMS

A. TERMINATION OF 2022 DISTRICT DELIVERIES (09/13/2022)

Discussed delivery termination date to allow for annual canal maintenance/repair. Target delivery termination was set for Friday, November 18. Any deliveries after that date will use water remaining in the system.

B. WINTER DELIVERIES (08/16/2022)

Three growers have expressed interest in 2022 winter deliveries. The Board requested growers be advised that delivery costs will be substantially higher than standard, in-season rates to determine if they remain interested.

C. MAIN CANAL FEASIBILITY STUDY (12/14/2021)

Eric Abrahamsen, Provost & Pritchard Consulting, indicated their staff would be surveying the Main Canal this week.

D. ETHICS TRAINING (06/20/2006)

It was the general consensus to schedule Ethics Training (2 hours) following the December 13th Regular Meeting.

E. STRATEGIC PLANNING (02/08/2022)

Amy Wolfe reported data collection from the Strategic Planning Questionnaire has been completed. Participation rate was approximately 40%. Priorities will be ranked according to the responses and will be reported to the Board at meetings scheduled for Monday, November 7, at 9:00 a.m.-1:00 p.m., and Tuesday, November 8, 1:00-5:00 p.m.

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F. SOLAR PROJECT #3: WHITE PINE RENEWABLES (06/14/2022)

Evan Riley, White Pine Renewables, discussed a third opportunity for a Power Purchase Agreement/development of solar. Although construction costs have escalated by 35%, WhitePine bears the costs which are offset by power savings. The estimated annual savings are projected at \$250,000 equating to a projected lifetime savings of \$8.4 million (assuming a 4% PG&E rate escalator). Mr. Riley discussed three potential locations and noted WhitePine will work to mitigate/coordinate CEQA studies to expedite the approval process with a possible activation date of summer, 2024, at no cost to the District for a 25-year agreement.

Following a brief period of discussion/inquiry, President Riley Chaney and Director Robert Barcellos both indicated no interest at this time until Projects 1 and 2 have proven their worth. NO ACTION TAKEN.

X. REPORT ITEMS

None

ADJOURNED TO CLOSED SESSION AT 11:00 A.M.

Directors Attending:

Riley Chaney, 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)

Added:

XI. CLOSED SESSION: GOVERNMENT CODE §54957-PUBLIC EMPLOYMENT

A. TITLE: WATER CONSULTANTS

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

A. SIGNIFICANT EXPOSURE TO LITIGATION PURSUANT TO PARAGRAPH (2) OR (3) OF SUBDIVISION(D):

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 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
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

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

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- 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.
- 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.
- 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.

CITING A CONFLICT-OF-INTEREST, DIRECTOR MICAH COMBS EXCUSED HIMSELF FROM THE MEETING PRIOR TO DISCUSSION OF THE FOLLOWING MATTER AS HIS SISTER OWNS THE SUBJECT PROPERTY.

- H. FRESNO COUNTY APN 040-030-46S (6.51 ACRES)
Negotiating Parties: James Irrigation District: General Manager/Designee
Landowner
Under Negotiation: Price, terms and conditions of possible real property transaction

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RECONVENED IN OPEN SESSION AT 12:25 P.M.

XV. REPORT ON ACTIONS TAKEN DURING CLOSED SESSION Gov. Code 54957.1

No reportable actions were taken during the Closed Session.

XVI. ADJOURN

There being no further business to come before the Board, M/S/C (R.MOTTE / R.BARCELLOS), to ADJOURN the meeting at 12:26 p.m., until the next Special Meeting scheduled for Monday, November 8, 2022, by the following vote:

AYES: 3 (R.Motte, R.Barcellos, R.Chaney)

EXCUSED: 2 (J.Hughes, M.Combs)

RECORDED BY:

APPROVED BY:

Donna Y. Hanneman, Executive Assistant

Riley Chaney, President

Manny Amorelli, General Manager

ATTACHMENTS:

1. Interim Warrants: September 14-October 11, 2022, \$402,432.31
2. Accounts Payable: \$474,634.86
3. Payroll Certification: Pay Periods Ending September, 2022, \$74,481.35 (net)