

JAMES IRRIGATION DISTRICT

BOARD OF DIRECTORS - REGULAR MEETING

MINUTES June 14, 2022

ATTENDANCE

DIRECTORS PRESENT

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

EXCUSED

None

ABSENT

None

STAFF PRESENT

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

LANDOWNERS / GROWERS

Thomas Coleman (Zoom)
Virginia Dussell (Zoom)

PUBLIC / CONSULTANTS

- RINCON CONSULTANTS, INC.
Annaliese Miller, Sr. Environmental Planner/
Project Manager (Zoom)
- WHITE PINE RENEWABLES, LLC
Evan Riley, Managing Partner/Co-Founder
- PROVOST & PRITCHARD CONSULTING GROUP
Eric Abrahamsen, PE (Zoom)
- WATER WISE
Sarah Woolf
- 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, June 14, 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.

II. RESOLUTION RENEWING USE OF REMOTE TELECONFERENCE MEETINGS UNDER AB361

As there were no directors participating remotely, Resolution was not required. No action taken.

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III. OTHER BUSINESS / PUBLIC COMMENTS

A. PUBLIC COMMENTS

None.

B. MOMENT OF SILENCE to honor the passing of:

1. HARRY HANSEN (10/16/1940-05/14/2022), long-time business owner of Harralson's Machine Works/San Joaquin, Sorensen's Machine Works/Mendota.
2. ANTHONY "TONY" AYERZA (02/19/1940-05/11/2022), uncle to grower/landowner George Ayerza, Jr.

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.

IV. MINUTES

A. REGULAR MEETING: MAY 10, 2022

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

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

V. TREASURER'S REPORT

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

A. FINANCIAL REPORTS

1. Interim Warrants: May 11-June 14, 2022 (Att.1)

Interim Warrants (bills paid since prior meeting) with supporting invoices were presented for review/approval. M/S/C (M.COMBS / J.HUGHES), to RATIFY/APPROVE Interim Warrants totaling \$1,169,659.40 by the following vote:

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

2. Accounts Payable

Not available. Will be paid and presented as Interim Warrants next meeting.

3. Payroll Certification: Pay Periods Ending May, 2022 (Att.2)

A listing of payroll checks totaling \$75,429.40 (net) issued to employees and Board members for pay periods ending May, 2022, was reviewed and certified by the President, General Manager and Office Manager.

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4. Income Statements (Budget-to-Actual): Period Ending May 31, 2022

Mr. Amorelli noted the equipment repair parts/maintenance budget is exceeding projections. Supply chain problems are delaying delivery and inflation is increasing costs.

5. Cash Position Report: May 31, 2022

The Fed is raising interest rates which should yield a better rate-of-return on deposits.

6. Accounts Receivable Activity Report: May 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 May, 2022, as follows:

OPERATIONS

- ▶ Water Deliveries: May, 2022 - Water deliveries for the month of May were 7,994 acre-feet which is 805 acre-feet more than was delivered during May, 2021. The fiscal year-to-date total deliveries are at 15,387 acre-feet which is 929 acre-feet more than was delivered at this time during the last fiscal year.
- ▶ Weekly TDS Readings: May 30, 2022
- ▶ U.S.B.R. / Central Valley Project
 - Allocations remain at 0% to South-of-Delta agricultural contractors.
 - Mendota Pool - Pumping reports (TDS, electroconductivity) for the Mendota Wildlife Area and Delta-Mendota Canal Check#21 as of May 31, 2022, were reviewed.
 - San Joaquin River Exchange Contractors - Friant releases will be ending in July.
- ▶ Kings River Water Association
 - KRWA Storage Operations in Pine Flat Reservoir as of June 5, 2022, totaled 2,231 CFS-days.

MAINTENANCE

- ▶ James Bypass / Water Hyacinth - Coordination meetings with representatives from Fresno County, McMullin Area Groundwater Sustainability Agency, U.S. Bureau of Reclamation and the San Luis & Delta-Mendota Water Authority have resumed in an effort to control/eradicate growth.

PROJECTS

- ▶ Main Canal Feasibility Study - Meetings with Provost & Pritchard continue in their efforts to complete this study.

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AGENCIES

- ▶ Kings Basin Coordinating Committee is meeting frequently in an effort to collectively modify member Groundwater Sustainability Plans for submission to the California Department of Water Resources.
- ▶ James Groundwater Sustainability Agency (James GSA) - A Special Meeting has been scheduled for June 29th to ratify modifications/updates to the James Groundwater Sustainability Plan.
- ▶ Valley Water (aka: Santa Clara Valley) representatives toured James ID and the McMullin Area Groundwater Sustainability Agency facilities.

VII. SUPERINTENDENT'S REPORT

Superintendent, Kenneth Mancini reported the following:

- ▶ Water deliveries are "wide open".
- ▶ With field staff concentrating on irrigation, there is limited maintenance work being done.
- ▶ Weed control activities have been hampered by winds. Mowing continues.

VIII. DIRECTORS' REPORTS

None were presented.

IX. ACTION ITEMS

A. SOLAR PROJECT #2: WHITE PINE RENEWABLES (03/09/2021)

- ▶ Annaliese Miller, Sr. Environmental Planner/Project Manager, Rincon Consultants, Inc., who assisted with the California Environmental Quality Act (CEQA) permitting process/Mitigated Negative Declaration for Project #2, reviewed the project in detail as well as the CEQA process. (Att.3) The public review/comment period expires June 15th at 5:00 p.m.
- ▶ It was the consensus of the Board to schedule a Special Meeting on Tuesday, June 28, 2022, at 9:00 a.m., dedicated to the adoption/approval of the final Initial Study-Mitigated Negative Declaration and approval of Project #2..

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

As the Board previously requested investigation of expanding solar capabilities, Evan Riley, Managing Partner/Co-Founder, White Pine Renewables, was invited to present his proposal for Project #3.

Mr. Riley first updated the Board on Project #1 as follows:

- ▶ Project #1 is moving to the construction phase. Permits are being procured. Barring any unforeseen delays, they plan to move to the project site one month before permits are finalized. Mechanical should be complete/operational March, 2023. Mr. Riley shared the Board's concerns for continual delays noting the need for a Mitigated Negative Declaration

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(MND)–as opposed to a categorical MND–was not anticipated and added 6 months to the CEQA review process.

- ▶ Proposed Project #3, is designed as a maximum 4 kW project to be split into two sites as PG&E transmission infrastructure limits capacity. (Att.4)
 - Matt Hurley, General Manager, McMullin Area Groundwater Sustainability Agency, inquired if there was a potential for James to consider partnering on solar development. Mr. Riley noted the meter would need to be in the District’s name and sited within the District’s service territory.

Mr. Riley assured the Board that White Pine is working very hard to expedite the completion of Projects #1 and #2. NO ACTION WAS TAKEN.

C. RESOLUTION FOR THE ADOPTION OF THE 2021 WATER MANAGEMENT PLAN (06/14/2022)

Eric Abrahamsen, PE, Provost & Pritchard Consulting Group, reviewed the updates to the District’s 2021 Water Management Plan (Years 2015-2020).

M/S/C (J.HUGHES / M.COMBS), to UNANIMOUSLY APPROVE RESOLUTION 2022-09 ADOPTING 2021 WATER MANAGEMENT PLAN (YEARS 2015-2020) (Att.5)

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

D. DISTRICT EQUIPMENT/OPERATION COSTS (06/14/2022)

Mr. Amorelli discussed (1) the proposed purchase of new shop welder and (2) costs for 2022 water hyacinth control/James Bypass.

- ▶ Welder - Reviewed/discussed quote from Barnes Welding Supply, Fresno, CA, for one Idealarc-250 welder at \$4,974.35.
- ▶ Operations: Hyacinth Control Measures
 - Reviewed quote from Marine Biochemists, Anaheim, CA, for \$9,594.69 to treat shoreline within the James Bypass for water hyacinth.

M/S/C (J.HUGHES / R.CHANEY), to UNANIMOUSLY:

1. APPROVE purchase of one Idealarc-250 welder at \$4,974.35 from Barnes Welding Supply; and
2. APPROVE contracting with Marine Biochemists at \$9,594.69 for treatment of water hyacinth in the James Bypass

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

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E. PROCEDURES FOR A MAJORITY PROTEST HEARING ON A PROPOSED INCREASE IN THE DISTRICT'S WATER RATE (03/08/2022) - Reviewed draft Resolution Establishing Procedures for a Majority Protest Hearing on a Proposed Increase in the District's Water Rate.

- ▶ Concerns were expressed regarding the escalator clause and chart plotting annual increases for fiscal 2023-2024 through 2027-2028. Current inflationary pressures and the projected economic outlook are such that should the budget require a higher rate than plotted in the chart, the District would be adversely constricted by these figures.
- ▶ General Counsel was requested to revise the Resolution allowing rates to be adjusted to a maximum of \$330/acre-foot and eliminating the escalator chart/clause.

M/S/C (R.MOTTE / J.HUGHES), to UNANIMOUSLY ADOPT RESOLUTION 2022-10 PROCEDURES FOR A MAJORITY PROTEST HEARING ON A PROPOSED INCREASE IN THE DISTRICT'S WATER RATE AS AMENDED. (Att.6)

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

- ▶ A public majority protest hearing to receive public comments and written protests will be held on a future date to be announced.

F. RESOLUTION CALLING GENERAL DISTRICT ELECTION (06/14/2022)

As terms of office for Directors Barcellos and Motte expire November, 2022, M/S/C (M.COMBS/R.CHANEY), to UNANIMOUSLY ADOPT RESOLUTION 2022-11 CALLING GENERAL DISTRICT ELECTION. (Att.7)

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

G. DISTRICT AUTOMATION (07/14/2020)

Mr. Amorelli recently met with Eric Rothberg of Rubicon Water and learned the USBR has opened new grant funding. If interested, Rubicon would develop a proposal for submission to the USBR.

M/S/C (R.CHANEY / R.MOTTE), to UNANIMOUSLY APPROVE SECURING A PROPOSAL FOR AUTOMATION OF THE MAIN CANAL AND REGULATION BASINS FROM RUBICON WATER SUBSTANTIATING POTENTIAL LABOR SAVINGS.

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

H. STRATEGIC PLANNING SERVICES (09/11/2018)

Sarah Woolf discussed her experience working with Amy Wolfe, a strategic planning facilitator. The facilitator would do pre-outreach to compile data and review it with the Board. Services were estimated at \$5,600-\$7,600.

M/S/C (M.COMBS / R.MOTTE), to PROCURE THE SERVICES OF AMY WOLFE AS A FACILITATOR IN DEVELOPING A STRATEGIC PLAN.

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

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I. STRATEGIC PLANNING (09/11/2018)

It was the consensus of the Board to schedule Special Meetings with Amy Woolf for grower/landowner and Board input; dates to be determined. Growers/landowners will be advised of this effort through the monthly newsletter.

X. REPORT ITEMS

None

ADJOURNED TO CLOSED SESSION AT 11:33 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

3 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 VS 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 §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.

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.

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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: Marilyn Fay Briggs, Trustee, Daniel Briggs

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

RECONVENED IN OPEN SESSION AT 12:19 P.M.

XIV. REPORT ON ACTIONS TAKEN DURING CLOSED SESSION

No reportable actions were taken during the Closed Session.

XV. ADJOURN

There being no further business to come before the Board, the meeting was ADJOURNED at 12:20 p.m., until the next Special Meeting scheduled for Thursday, June 23, 2022.

RECORDED BY:

APPROVED BY:

Donna Y. Hanneman, Executive Assistant

Riley Chaney, President

Manny Amorelli, General Manager

ATTACHMENTS:

1. Interim Warrants: May 11-June 14, 2022, \$1,169,659.40
2. Payroll Certification: Pay Periods Ending May, 2022, \$75,429.40 (net)
3. Powerpoint: James Irrigation District Solar Project #2, Public Hearing, June 14, 2022, by Rincon Consultants, Inc.
4. Proposal: Project #3, 4,000 kW, June 14, 2022, White Pine Renewables
5. Resolution 2022-09 Adopting 2021 Water Management Plan (Years 2015-2020), Adopted June 14, 2022
6. Resolution 2022-10 Establishing Procedures for a Majority Protest Hearing on a Proposed Increase in the District's Water Rate, Adopted June 14, 2022
7. Resolution 2022-11 Calling General District Election, Adopted June 14, 2022