

CAWELO WATER DISTRICT

BOARD MEETING

Conference Room at the District Office

February 15, 2018 - 9:00 AM

MINUTES

DIRECTORS PRESENT: Keith Watkins, Mark Smith, Eric Miller, Brian Blackwell
DIRECTORS ABSENT: John Gaugel
STAFF PRESENT: David Ansolabehere, Dave Hampton, LeeAnn Giles, Emilie Ortiz
LEGAL COUNSEL: Robert Hartsock
COUNSULTING ENGINEER: R.L. Schafer
OTHER ATTENDEES: Scott Hamilton, Tim Gobler, Andy Schweikart, Rafael Deniz

A. CALL TO ORDER

Meeting was called to order by President Watkins at 9:17 a.m. in the Conference Room of the District office located at 17207 Industrial Farm Road, Bakersfield, CA.

B. APPROVAL OF BOARD MINUTES

Minutes of the Board meeting for January 11, 2018 were presented for approval. After review, *it was motioned by Director Blackwell, seconded by Director Miller and unanimously carried that the minutes for January 11, 2018 be approved.*

C. TREASURER'S REPORT

Treasurer's Report for the month of January was presented by District Controller, Ms. Giles.

Balances for January were as follows:

General Funds	4,150,140.46
Construction Funds	12,331,987.45
Reserved Funds	<u>10,916,693.00</u>
TOTAL FUNDS	27,398,820.91
Receipts for January 2018	4,813,597.11
Manual Cash Disbursements	299,165.44
Net Revenue through December	6,970,096.46
Total Expenses through December	<u>7,408,153.77</u>
NET REVENUE / <LOSS>	4,811,660.09

After review and discussion, *it was motioned by Director Smith, seconded by Director Blackwell and unanimously carried that the Treasurer's Report for January be accepted as presented.*

D. ACCOUNTS PAYABLE

Accounts Payable report for the month of February 2018 was presented by District Controller, Ms. Giles. The report covered checks 30634 – 30673 issued February 14, 2018 and totaled \$1,341,654.58.

After review and discussion, *it was motioned by Director Blackwell, seconded by Director Smith and unanimously carried that checks for Accounts Payable for the month of February be accepted as presented and all invoices paid accordingly.*

E. PUBLIC COMMENTS – The floor was open for any public comments, at which time there were none.

F. COMMITTEE REPORTS

1) Projects

- a. North Kern Transportation Agreement** – Mr. Ansolabehere reported that North Kern Water Storage District and City of Bakersfield are currently in discussions and staff continues discussions with Kern Tulare Water District.
- b. Building Remodel – Status of Project** – Mr. Hampton reported that Simile has submitted their eighth progress payment totaling \$1,426,770. Good progress continues on construction with some issues with concrete flooring and carpet that was originally ordered, and District staff and Simile are continuing to work through them. Final inspections are to be completed in the upcoming weeks and construction is anticipated to be complete in early March.
- c. Famoso to Friant Pipeline Project** – Mr. Ansolabehere reported that the USBR has published Cawelo's Environmental Assessment Report for public review. Cawelo must approve a Notice of Determination, which notifies the public that the district approves and is moving forward with the project. Staff recommends approval of Notice of Determination.

After review and discussion, *it was motioned by Director Smith, Seconded by Director Blackwell and unanimously carried that the Notice of Determination be approved as presented.*

Mr. Ansolabehere reported that he had no update in respects to the Famoso to Friant Pipeline easements.

- d. **Well #14 & #15 Pipeline Project** – Mr. Ansolabehere reported that Dee Jaspar has provided staff with landowner information for proposed pipeline placement.
- e. **EX-1 Lateral Replacement Project** – Mr. Ansolabehere reported that staff and W.M. Lyles (Lyles) have completed removal of the old pipeline and that installation should be reinstatement should be completed within the upcoming weeks.
- f. **Landowner Recharge** – Mr. Hampton provided and discussed draft general concepts for a potential landowner recharge program to potentially benefit all lands within the district. The Board and attending public will review the concepts to discuss at the next Board meeting.
- g. **Zone 7** - Mr. Hartsock reported that Zone 7 requested refinancing Cawelo's 2006 Certificates of Participation as a part of capital improvement bond issue.

2) ILRP

Coalition Update – As well as providing a written report, Mr. Hampton reported that the Central Valley Groundwater Monitoring Collaborative (CVGMC) selected Luhdorff & Scalmanini (LS) and Provost & Pritchard to develop the technical workplan for the regional groundwater trend monitoring program. Cawelo and other coalitions have provided specific Groundwater Trend Monitoring Workplans along with other additional informational to LS. CVGMC and LS are scheduled to meet with the Regional Board on February 16, 2018 to discuss the development of the workplan that is due May 16, 2018. Mr. Hampton also reported that on December 4, 2017, CWDC received a conditional approval from the Regional Board for the latest version of the Comprehensive Groundwater Quality Management Plan (CGQMP). Regional Board commented on issues that included the lack of a reference to recycled oilfield produced water and the allowed duration to implement the known protective practices. Staff will be submitting a revision that will include required information for recycled oilfield produced water and a recommendation that of the members that are required to implement the known protective practices, 50% of them will be required to implement them within 2 years and the remaining required members within three years. The revised plan is due by February 16, 2018.

Mr. Hampton further reported that a reminder was sent to coalition members regarding their Farm Evaluations, Nitrogen Management Plan and Nitrogen Plan Summary Reports that need to be complete by March 1, 2018. Members now have access to the ILRP Farm online system to complete their required submittals and update general information.

Mr. Hampton further reported that the Proximity Workplan Evaluation continues and is expected to be complete by March 08, 2018.

Lastly, Mr. Hampton reported that MPEP Chair Casey Creamer, with Kings River Watershed Coalition Authority, will be leaving the group. Mr. Creamer played a key role in shaping the ILRP program and leading the MPEP effort. His leadership will be sorely missed and the continued effort will now be shared by the four larger coalitions in his absence.

3) Sustainable Groundwater Management Act

- a) **Update** – Mr. Ansolabehere had no report, noting there was a Cawelo GSA meeting prior to this meeting.

4) Financial and Personnel

- a) **Employee Compensations** – This matter was deferred until after closed session.

5) SWP

- a) **Cal Water Fix** – As well as providing a written report, Mr. Scott Hamilton reported that the Kern County Water Agency (KCWA) is seeking commitment for participation from the member units, regarding the Cal Water Fix. The KCWA is asking, specifically; 1. What is the level of full participation for the district? 2. What is the level of participation in the MWD Program by each Member Unit? 3. Is the District willing to pick up other Member Unit's 15% share of costs and associated water supply benefits? 4. Will the District enter into an agreement with the Agency to ensure repayment of the district's share of the gap funding?

Mr. Hamilton recommended the District fully participate in the MWD Program, with certain conditions.

After review and discussion, *it was motioned by Director Blackwell, seconded by Director Smith and unanimously carried that Cawelo fully participate in the Cal Water Fix but only through the MWD Program, conditioned upon landowner approval and financing, and conditioned upon the ability to withdraw from the MWD Program at a later time.*

G. ATTORNEY'S REPORT – Mr. Hartsock had no report for open session.

H. ENGINEER'S REPORT

- 1) **Poso Creek Diversion Petition** – Mr. Schafer reported that he and staff, along with representatives from the Division of Water Rights, held a teleconference in respects to

the Poso Creek Diversion Petition to further discuss items of concern and that a mutually agreeable course of action has been determined.

- 2) **Stream Bed Alteration Agreement-** Mr. Schafer reported that he is currently waiting on a response from Fish and Wild Life in respects to the draft Streambed Alteration Agreement.

Mr. Schafer also provided Fall 2017 groundwater conditions for review and discussion.

I. MANAGER'S REPORT

- 1) **Water Deliveries/Supplies** into the District for January 2018 were as follows:

	<u>Ac-Ft Delivered</u>	<u>YTD</u>
Supplies Received	1,684	1,684
Landowner Deliveries	1,339	1,339
East Poso Basin Recharge	0	0
Famoso Basin Recharge	256	256
System Loss/Operational Recharge	84	84
Diversion from Poso Creek		
To Famoso Basin Banking	0	0
Percolation losses Creek Channel	0	0
Poso Creek Water Passed Trenton Weir	0	0

Produced Water Deliveries for the month of January were as follows:

Chevron	22.9 cfs per day (1,367 ac-ft.)
Valley Water	5.3 cfs per day (317 ac-ft.)

- 2) **System Operations & Maintenance:**

- Copper sulfate applications continue to be applied in the distribution canal and reservoirs as needed.
- Meter repairs continue to be conducted throughout the District.

- 3) **Food Safety MOU Consultant** – Mr. Ansolabehere reported that staff has reviewed potential Consultants to provide services as defined in the scope of works within Task 1, 2, and 3 of the MOU with the Central Valley Regional Water Quality Control Board.

- 4) **Equipment Acquisition** – Mr. Ansolabehere is requesting the purchase of a new truck as a replacement of the Superintendents current 2012 Ford F-150, due to heavy wear and increased service requirements. Staff recommends the purchase, at a cost not to exceed \$28,000 through Fleet Purchasing.

After review and discussion, *it was motioned by Director Blackwell, seconded by Director Miller and unanimously carried that the purchase of a new vehicle at a cost not to exceed \$28,000 through Fleet Purchasing be approved.*

- 5) **Mobile Irrigation Lab Contribution** – Mr. Ansolabehere reported that a letter requesting contributions to the Mobile Lab in the amount of \$5,000 has been received. In the past years, Cawelo has contributed \$5,000.
- After review and discussion, *it was motioned by Director Blackwell, seconded by Director Smith and unanimously carried that a contribution of \$5,000 on behalf of Cawelo Water District be made to Mobile Lab.*
- 6) **Request for Land to be Included in Service Area** – Mr. Ansolabehere reported that Mr. Bruce Kelsey submitted a letter dated January 26, 2018 requesting APN: 060-370-48 (40 ac) be annexed into Cawelo WD. His request to be included in the non-service area is primarily to be eligible to receive water and be included in the Cawelo Water District Sustainable Groundwater Water Agency.
- Staff recommended not annexing this parcel into the District at this time due to the existing lack of water for lands within the District, and because new groundwater legislation requirements and consequences are not know at this time. No action was taken by the Board, and therefore the request was not granted.

ADJOURNED TO CLOSED SESSION – The meeting adjourned at approximately 11:02 a.m. to Closed Session.

J. Closed Session:

- 1) **To confer with legal counsel regarding pending litigation under authority of Government Code Section 54956.9 (d)(2)(3) (one matter) (d)(4) (one matter).**
- 2) **Conference with real property negotiators and/or properties under authority of Government Code Section 54956.8**
 - a) **City Water Purchase**
 - b) **North Kern Canal Facility Use**
 - c) **Miscellaneous Water Supplies**
 - d) **Storage/Well Sites**
 - e) **Oil Field Waters**
- 3) **Wages/salary/other terms and conditions of employment under authority of Government Code Section 54957.6**

K. RETURN TO OPEN SESSION – The Board returned to Open Session. It was announced that no action was taken in Closed Session that required disclosure under the Brown Act at this time.

The Board then returned to agenda item F(4). *Upon motion by Director Blackwell, seconded by Director Smith, it was unanimously carried that wage and salary adjustments be made in*

accordance with Committee recommendations, and that the prior incentive program be eliminated.

- L.** **ADJOURNMENT** – The Board meeting adjourned at 11:35 a.m. The next regularly scheduled Board meeting is set for March 8, 2018 at 9:00 a.m. in Cawelo Water District Conference Room.

Brian Blackwell, Board Secretary