

CAWELO WATER DISTRICT

BOARD MEETING

Conference Room at District Office

Thursday, June 13, 2019 - 9:00 a.m.

MINUTES

DIRECTORS PRESENT: Keith Watkins, Mark Smith, Eric Miller, John Gaugel, Brian Blackwell
STAFF PRESENT: David Ansolabehere, Dave Hampton, LeeAnn Giles, Candice Valdez
LEGAL COUNSEL: Robert Hartsock
OTHER ATTENDEES: Todd Turley, Tim Gobler, Andy Schweikart, Ed Kuykendall, Jeff Looker

A. CALL TO ORDER

The meeting was called to order by President Watkins at 9:35 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 May 3, 2019 were presented for approval. After review, *it was motioned by Director Blackwell, seconded by Director Smith and unanimously carried that the minutes for May 3, 2019 be approved.*

C. TREASURER'S REPORT

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

Balances for May were as follows:

General Funds	10,044,960.26
Construction Funds	8,8568,121.02
Reserved Funds	<u>9,495,516.91</u>
TOTAL FUNDS	28,408,598.19
Receipts for May 2019	5,499,352.14
Manual Cash Disbursements	412,175.51
Net Revenue through May	14,952,694.39
Total Expenses through May	<u>3,089,678.44</u>
NET REVENUE / <LOSS>	6,415,497.95

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

- 1) **Audit Engagement Letter** – Ms. LeeAnn Giles reported that Cawelo Water District is currently working with the new District Auditor, Brown Armstrong and Associates on the 2019 Audit. At the request of Brown Armstrong and Associates, a letter of engagement between Cawelo Water District and Brown Armstrong needs to be executed on behalf of the District.

Considering the Board has already approved retaining Brown Armstrong and Associates on March 21, 2019, the Board authorized executing the engagement letter between Cawelo Water District and Brown Armstrong and Associates.

D. ACCOUNTS PAYABLE

District Controller, Ms. Giles, presented the Accounts Payable report for the month of May 2019. The report covered checks 31683-31729 and 31741-31743 issued June 12, 2019 and totaled \$2,456,438.95.

After review and discussion, *it was motioned by Director Blackwell, seconded by Director Smith and unanimously carried that checks for the Accounts Payable for the month of May 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 he had no update with respect to the North Kern Transportation Agreement.
- b. **Famoso to Friant Pipeline Project** – Mr. Hampton reported that Friant contractors are seeking support for Senate Bill 559 that would help restore the capacity of the Friant-Kern Canal. Mr. Ansolabehere recommends the Board support SB 559, because repairs to such facility could increase water supplies to the Kern area and to Cawelo. The Board directed staff to send a letter of support for SB 559 to the Department of Water Resources. Mr. Ansolabehere further reported that staff is working with other landowners for additional easements to reflect the new alignment change.

Mr. Ansolabehere also presented the board with a proposal to increase the currently approved pipeline size of 36 inches to 48 inches. With the new proposed pipeline size, this will allow an increased flow of approximately 100 cfs, with no increase in size to existing

approved borings, and would increase the project cost at an estimated \$1.4 million. Mr. Ansolabehere recommends approval from the board to increase the pipeline size.

After review and discussion, *it was motioned by Director Gaugel, seconded by Director, Blackwell, and unanimously carried that the Famoso to Friant Pipeline increase the pipeline from 36 inches to 48 inches at an additional cost not to exceed \$1.4 million.*

- c. **Landowner Recharge** –Mr. Hampton reported that draft principles were distributed to District landowners for review and comments. To date, staff has received two comments from landowners generally regarding minimum requirements and transferability. The comments and elements of the draft principles were discussed and Staff was directed to revise the principles and begin drafting the agreement.

2) ILRP

Coalition Update – Mr. Hampton reported that Poso Creek continues to flow and was measured at 53 cfs on Wednesday, June 12, 2019. Water quality samples were collected for the month of June and will be collected in July if sufficient water is present.

Mr. Hampton also reported that CWDC submitted a revised SWMP to the Regional board on June 6, 2019. The revised report reflected the new Pesticide Evaluation Protocol and modified references from the flowing water requirements to a reference of sufficient water present for sampling. The most significant issue that was addressed in the revision was the response to the Regional Board's request that the Distribution Canal and Lerdo Canal be monitored or provide justification that monitoring the canals would not be representative of agricultural in CWDC. Appropriate language was added to identify that monitoring the Distribution Canal and Lerdo Canal would not be a representative of Cawelo agriculture and that there are no urban or municipal uses for the water in the canals.

Additionally, part of the SWMP requirements is to submit quarterly reports which are essentially data dumps that also requires reporting of any exceedances. Samples that were collected on March 7, 2019, reported a constituent level above the MCL, but preliminary results of the subsequent analysis for April water samples indicated that the levels returned back to below MCL levels.

The MPEP's consultants are preparing two grant applications to help fund the program and keep costs to landowners at a minimum. The first Conservation Innovation Grant (CIG) is for \$2 million dollars and the second is for \$5 million dollars for on-farm conservation innovation trials. The committee authorized up to \$30k each to prepare and submit the application for each grant.

Lastly, Mr. Hampton reported that the 2019 Coalition fees invoices were mailed to growers on May 28, 2019 and approximately \$5,600 in fees have been received. Coalition fees are due by July 19, 2019.

3) Sustainable Groundwater Management Act

- a) **Update** – The Board discussed the newly drafted Second Amended and Restated Joint Powers Agreement for the Kern Groundwater Authority.

After review and discussion, *it was motioned by Director Gaugel, seconded by Director Smith and unanimously carried that the Board approves the amended and restated JPA for the Kern Groundwater Authority and authorized executing same.*

b) **Resolution 678 – Approving Dissolution of the Cawelo Kern Groundwater**

Sustainability Agency – Mr. Hampton reported that because a new agreement was recently reached with the County of Kern regarding SGMA jurisdictional boundaries for the Cawelo GSA, the entity created by the Cawelo-Kern Joint Powers Agreement (CKGSA) is no longer needed and should be dissolved. The dissolution of the Cawelo Kern Groundwater Sustainability Agency (CKGSA) has already been approved by the CKGSA Board and must also be approved by Cawelo Water District and the County of Kern. Mr. Hampton recommends approval of Resolution 678 – Approving Dissolution of the Cawelo Kern Groundwater Sustainability Agency.

After review and discussion, *it was motioned by Director Blackwell, seconded by Director Milled and unanimously carried that Resolution 678 – Approving Dissolution of the Cawelo Kern Groundwater Sustainability Agency be approved and adopted as presented.*

4) Financial and Personnel

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

5) SWP

- a) **Cal Water Fix** – Mr. Ansolabehere had no report at this time.

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

H. ENGINEER’S REPORT

- 1) **Poso Creek Diversion Petition** - Mr. Ansolabehere reported that he had no update with respects to the Poso Creek Diversion Petition.

I. MANAGER'S REPORT

- 1) **Water Deliveries/Supplies** into the District for May 2019 were as follows:

	<u>Ac-Ft Delivered</u>	<u>YTD</u>
Supplies Received	17,223	47,496
Landowner Deliveries	8,615	19,015
East Poso Basin Recharge	0	1,531
Famoso Basin Recharge	2,352	19,631
System Loss/Operational Recharge	861	2,331
Diversion from Poso Creek		
To Famoso Basin Banking	6,891	26,504
Percolation losses Creek Channel	2,292	6,725
Poso Creek Water Passed Trenton Weir	5,017	21,017

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

Chevron	35.3 cfs per day (2,103 ac-ft.)
CRC/Bell Aire	10.3 cfs per day (613 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 Panel** – Mr. Ansolabehere reported that GSI Environmental would be providing a draft report on Task 1 – Identification of Chemicals of Interest Related to the reuse of Produced Waters for Irrigation of Edible Crops to the Food Safety Panel for comments. Toxicologist consultant, Dr. Heriberto Robles, will review the draft and provide staff with comments. Root crop sampling, for Task 3, will be completed in July and GSI Environmental is expected to have the report for the sampling and analytical analysis should be complete by December 2019.

The Regional Board has also requested GSI to have Task 2 – Literature Review for Produced Water Reuse for Agriculture, to be completed by December 2019.

- 4) **Canal Property Purchase – Resolution 679** – Mr. Ansolabehere reported that a property adjacent to the District's Distribution canal has been listed for sale and staff is interested in purchasing this property. The property APN is 481-030-04 with 16.94 acres and is listed for \$20,000. Staff recommends purchase of this property to help groundwater recharge, prevention

of lands being developed, as well as use the lands natural yield for District's use. Mr. Ansolabehere recommends purchase of this property at a cost not to exceed \$20,500. After review and discussion, *it was motioned by Director Blackwell, seconded by Director Miller and unanimously carried that the purchase of Parcel 481-030-04 be approved at a cost not to exceed \$20,500 and to adopt Resolution No. 679.*

ADJOURNED TO CLOSED SESSION – The meeting adjourned at approximately 10:59 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**
- 4) **Employment: Clerk Government Code Section 54957**

K. RETURN TO OPEN SESSION – The Board returned to Open Session at 11:51. It was announced that no action was taken in Closed Session that required disclosure under the Brown Act at this time.

At this time, the Board considered agenda item 4(a), and *upon motion by Director Blackwell, seconded by Director Smith, the Board unanimously authorized a one dollar per hour (\$1.00) wage increase to T. Gutierrez, M. Lopez, F. Padilla, and D. Borquez.*

L. ADJOURNMENT – The Board meeting adjourned at 11:51 a.m. The next regularly scheduled Board meeting is set for July 11 2019 at 9:00 a.m. in the Cawelo Water District Conference Room.



Brian Blackwell, Board Secretary