CAWELO WATER DISTRICT
SPECIAL BOARD MEETING
Conference Room at District Office
Monday, December 16, 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, Celynn Lyman
LEGAL COUNSEL: Robert Hartsock
OTHER ATTENDEES: Mike Maley, Andy Schweikart, Garrett Busch, Bruce Kelsey, Jeff Looker

A. CALL TO ORDER
The Special Board Meeting was called to order by President Watkins at 9:00 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 Special Board meeting for November 13, 2019 were presented for approval. After
review, it was motioned by Director Miller, seconded by Director Gaugel and unanimously
carried that the minutes for November 13, 2019 be approved.

C. TREASURER’S REPORT
The Treasurer’s Report for the month of November was presented by District Administrative
Assistant, Mrs. Lyman. Balances for November were as follows:

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Funds</td>
<td>2,181,513.42</td>
</tr>
<tr>
<td>Construction Funds</td>
<td>8,915,975.81</td>
</tr>
<tr>
<td>Reserved Funds</td>
<td>12,726,414.97</td>
</tr>
<tr>
<td><strong>TOTAL FUNDS</strong></td>
<td><strong>23,823,904.20</strong></td>
</tr>
</tbody>
</table>

Receipts for October 2019 4,247,644.07
Manual Cash Disbursements 789,053.94

Net Revenue through October 10,288,073.98
Total Expenses through October 8,660,275.54

**NET REVENUE / <LOSS>** 2,288,073.98

After review and discussion, it was motioned by Director Smith, seconded by Director Blackwell
and unanimously carried that the Treasurer’s Report for November be accepted as presented.
D. ACCOUNTS PAYABLE
District Administrative Assistant, Mrs. Lyman, presented the Accounts Payable report for the month of November 2019. The report covered checks 32076 through 32127 issued December 11, 2019 and totaled $4,247,644.07; Manual disbursements covered checks 32063 through 32075 and totaled $789,053.94.

After review and discussion, it was motioned by Director Blackwell, seconded by Director Miller and unanimously carried that checks for the Accounts Payable for the month of November be accepted as presented and all invoices and refunds 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. Ansolabeche reported that he had no update with respect to the North Kern Transportation Agreement.
   b. Famoso to Friant Pipeline Project – Due to a potential conflict of interest, Director Miller recused himself and left the meeting room during all discussion and voting on this matter. Mr. Ansolabeche reported that temporary easements with South Valley Farms have been signed. Permanent easements are not yet complete but will be completed soon.

After review and discussion, it was motioned by Director Blackwell, seconded by Director Smith and carried, by all present and voting, that temporary easements be ratified and approved, and that staff is authorized to finalize and execute the remaining permanent easements when they are complete.

At this time, Director Miller returned to meeting area.

c. Landowner Recharge – Mr. Ansolabeche reported that the draft agreement is under revision. Mr. Hartsock advised that CEQA will also need to be considered.

2) ILRP - Coalition Update – Mr. Hampton noted that the area has had about 2.5 inches of rain this winter season, bringing 2019’s total to approximately 10 inches.

Poso Creek started flowing at Trenton Weir on December 1 and is running approximately 33 cfs with nearly 540 acre-feet having crossed at Trenton. Poso Creek flow has not yet reached Zerker Road.

Mr. Hampton further advised that CWD’s new Surface Water Monitoring Plan includes new water sampling locations and sampling is proceeding as scheduled. The initial implementation of the plan is revealing a need for minor plan revisions to ensure a clear water sampling process. In addition, CWD is in discussions with the Regional Board regarding potential revisions for the 5-year plan updates on the Groundwater Quality Monitoring Plan and the Groundwater Assessment Report.

3) Sustainable Groundwater Management Act
   a) Update – There was no update, at this time.
4) Financial and Personnel
   a) Employee Compensations – Nothing to report on this item, at this time.

5) SWP
   a) Delta Conveyance Project (DCP) – (Previously Cal Water Fix) Mr. Ansolabehere reported that an agency meeting took place last Thursday (12/12/19) and current project opt-in ability is under review. Further information is expected and will be presented at January’s board meeting.

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 continues working with Jane Ling, compiling requested information and working towards completion of this item by January 2020.

I. MANAGER’S REPORT
   1) Water Deliveries/Supplies into the District for October 2019 were as follows:

<table>
<thead>
<tr>
<th></th>
<th>Ac-Ft Delivered</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplies Received</td>
<td>3,662</td>
<td>117,342</td>
</tr>
<tr>
<td>Landowner Deliveries</td>
<td>2,942</td>
<td>75,062</td>
</tr>
<tr>
<td>East Poso Basin Recharge</td>
<td>0</td>
<td>1,215</td>
</tr>
<tr>
<td>Famoso Basin Recharge</td>
<td>0</td>
<td>35,883</td>
</tr>
<tr>
<td>System Loss/Operational Recharge</td>
<td>-183</td>
<td>-5,302</td>
</tr>
<tr>
<td>Diversion from Poso Creek</td>
<td></td>
<td></td>
</tr>
<tr>
<td>To Famoso Basin Banking</td>
<td>0</td>
<td>21,793</td>
</tr>
<tr>
<td>Percolation losses Creek Channel</td>
<td>0</td>
<td>7,617</td>
</tr>
<tr>
<td>Poso Creek Water Passed Trenton Weir</td>
<td>0</td>
<td>30,189</td>
</tr>
</tbody>
</table>

   Produced Water Deliveries for the month of November 2019 were as follows:
   - Chevron: 35.4 cfs per day (2,106 ac-ft.)
   - CRC/Bell Aire: 9.0 cfs per day (537 ac-ft.)

   2) System Operations & Maintenance:
      Mr. Ansolabehere reported that Chevron and CRC are both off for about 8-9 hours today while a crew overhauls and refreshes Pump Station “B”. A CWD crew will replace 3 main butterfly valves, 2 check valves and bellows (steel, accordion-style), to be completed by approximately 3pm today. Unless something unforeseen occurs, water delivery will not be interrupted.

   3) Grow-View Enterprises – Request to Connect to District Facilities:
      Mr. Ansolabehere noted that Cavelo is in receipt of a letter from Mr. Dadgostar, requesting he be allowed to connect into CWD distribution system for the purpose of moving private water, or high-flow district water. This is an option that has always been available to service area and non-service area. It has been determined that the location of
move must be identified and approved by District Staff and Consulting Engineer, at the
cost of the Landowner – to ensure move does not interfere or weaken pipeline at said
location. Mr. Ansolabehere will respond to Mr. Dadgostar’s request, via standard mail, to
be reviewed by council prior to mailing.

ADJOURNED TO CLOSED SESSION – The meeting adjourned at approximately 9:25 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 at 10:05 a.m. It was
announced that no action was taken in Closed Session that required disclosure under the Brown Act
at this time.

L. ADJOURNMENT – The Board meeting adjourned at 10:06 a.m. The next Regular Board
Meeting is set for Thursday, January 9, 2020 at 9:00 a.m. in the Cawelo Water District Conference
Room.

[Signature]
Brian Blackwell, Board Secretary