

# CAWELO WATER DISTRICT BOARD MEETING

~~17207 Industrial Farm Road, Bakersfield CA 93308~~

Pursuant to Executive Order N-29-20 NO PUBLIC ACCESS DUE TO COVID-19  
Public Participation via Zoom 1-(699)-900-6833 / Meeting ID: 949 3835 7304 / Password: 106277  
Or via Link: <https://zoom.us/j/94938357304?pwd=bn51Tks5QWpmVUZtZlBxVFoyUktZZz09>  
Thursday, January 14, 2021  
9:00 a.m.

## MINUTES

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**DIRECTORS PRESENT:** Keith Watkins, Brian Blackwell, Mark Smith, John Gaugel, Spencer Birch  
**STAFF PRESENT:** David Ansolabehere, Dave Hampton, LeeAnn Giles, Celynn Lyman  
**LEGAL COUNSEL:** Robert Hartsock  
**OTHER ATTENDEES:** Audrey Arnao, Kevin Assemi, Megan Chicoine, Farmwerx, Tim Gobler, Andy Schweikart, Cody Tolbert

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### A. CALL TO ORDER

The Board Meeting was called to order by President Watkins at 9:03 a.m.

### B. APPROVAL OF BOARD MINUTES

Minutes of the Board meeting for December 10, 2020 were presented for approval.

After review and discussion, *it was motioned by Director Blackwell, seconded by Director Birch and carried by the following Roll Call Vote, that the minutes from December 10, 2020 be approved as presented.*

**AYES:** 5      Watkins, Blackwell, Smith, Gaugel, Birch  
**NOES:** 0  
**ABSTAIN:** 0  
**ABSENT:** 0

### C. TREASURER'S REPORT

The Treasurer's Report for the month of December was presented by District Controller, Ms. Giles. Balances for December were as follows:

General Funds	2,497,875.19
Construction Funds	6,658,153.30
Reserved Funds	<u>3,405,873.88</u>
<b>TOTAL FUNDS</b>	<b>12,561,902.37</b>
Receipts for December 2020	1,383,024.67
Manual Cash Disbursements	106,177.34

Net Revenue through December	20,112,146.04
Total Expenses through December	<u>20,829,953.30</u>
<b>NET REVENUE / &lt;LOSS&gt;</b>	<b>&lt;717,807.26&gt;</b>

After review and discussion, *it was motioned by Director Smith, seconded by Director Blackwell and carried by the following Roll Call Vote, that the Treasurer's Report from December, 2020 be approved as presented.*

<b>AYES:</b>	<b>5</b>	<b>Watkins, Blackwell, Smith, Gaugel, Birch</b>
<b>NOES:</b>	<b>0</b>	
<b>ABSTAIN:</b>	<b>0</b>	
<b>ABSENT:</b>	<b>0</b>	

**D. ACCOUNTS PAYABLE**

District Controller, Ms. Giles, presented the Accounts Payable report for the month of December, 2020. The report covered checks 32887 through 32929 issued January 12, 2021 in the amount of \$947,026.96; Manual disbursements covered checks 32869 through 32873 and ACH debits and totaled \$106,177.34.

After review and discussion, *it was motioned by Director Gaugel, seconded by Director Birch and carried by the following Roll Call Vote, that the Accounts Payable from December, 2020 be approved as presented.*

<b>AYES:</b>	<b>5</b>	<b>Watkins, Blackwell, Smith, Gaugel, Birch</b>
<b>NOES:</b>	<b>0</b>	
<b>ABSTAIN:</b>	<b>0</b>	
<b>ABSENT:</b>	<b>0</b>	

**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 there was nothing new to discuss at this time.

**b. Famoso to Friant Pipeline Project**

**i. Status of Project:**

Mr. Ansolabehere reported that 650' of the 800' bore is complete. The boring contractor is having continued delays which have impacted the railroad required oversight invoices (RailPros). Additional costs to be reviewed and resolved with General Contractor, Nicholas Construction.

Friant Water Authority has yet to respond to plans and specifications for a Friant-Kern Canal tie-in. Due to timing, the proposed tie-in will not be installed at this time, and coffer dams will have to be utilized in the future.

- c. **Landowner Recharge** – Mr. Hampton noted the CEQA process is complete for the Landowner Groundwater Recharge and Banking Project. After discussion, the Board directed District Staff to update the landowners on the project by a notice on website, e-mails, and mailed hard copies.
- 2) **ILRP - Coalition Update** – In addition to providing a written report, Mr. Hampton began by noting that the CWDC received a Notice to Comply for the Salt Control Program dated January 5, 2021. Two proposed compliance methods were discussed: 1) Conservative Salinity Permitting Approach, or 2) Alternative Salinity Permitting Approach.

In anticipation of taking the Alternative Salinity Permitting Approach, the Board authorized the Cawelo Coalition to pay the early Prioritization & Optimization Study contribution which was paid in February 2020.

A Notice of Intent (NOI), indicating which compliance path has been selected, is required by July 15, 2021.

Comments on the Tulare Lake Basin Order were submitted to the Regional Board on December 28, 2020. Proposed revisions include language for the implementation of CV-SALTS and other comments were generally for clarification purposes.

A Winter 2020-2021 Grower Education Meeting took place, via webinar, on January 12, 2021. The meeting covered new requirements and new forms for farm evaluation, management practices and implementation report (MPIR), Irrigation and Nitrogen Management Plan (INMP) summary forms, drinking water testing requirements, and Nitrogen Assessment Reports (NARS). Due to changes and new forms, ILRP Farm systems required updating and are anticipated to go live tomorrow (January 15, 2021). The March 1, 2021 deadline for reporting is still in place but a one-time, 60-day extension has been requested due to COVID-19.

3) **Sustainable Groundwater Management Act**

**Update** - No update was provided because the matter was discussed at the Cawelo GSA Special Board Meeting.

4) **Financial and Personnel**

- a) **Employee Compensation** – nothing to discuss at this time.

5) **SWP**

- a) **Delta Conveyance Project (DCP) – (Previously Cal Water Fix)** – In conjunction with the DCP and certain water supplies that may be available through the project, Mr. Ansolabehere reported that over the past two years, KCWA, other State Water Contractors, and DWR have been working on the Water Management Amendment 41 to the State Water Contract. Amendment 41 supplements and clarifies the ability to manage SWP water supplies through transfers and exchanges throughout the SWP service area. Amendment 41



The Polishing Pond Liner Replacement project has been completed. The Pond Liner is a dual liner system with detection capabilities and Chevron has re-installed all barrier rails and other safety structures.

**3) Potential Solar Project:**

Staff has been working with WhitePine Renewables to identify whether a solar project on Cawelo's existing property would be feasible. The initially developed project is a 2.4 MW Photovoltaic system that falls under the local governments **Renewable Energy Self – Generation Bill Credit Transfer** program (RES-BCT). This program allows for excess generation to be a bill credit on all of Cawelo's PG&E accounts. The system would have the capability of producing 5.2 Million kWh per year or approximately 93% of the energy Cawelo purchases from PG&E annually. The system would be constructed and owned by WhitePine Renewables with an easement on Cawelo's property. Cawelo would execute a Power Purchase Agreement (PPA) to purchase all energy produced at a rate that is locked in for 25 years at \$0.076 per kWh as opposed to existing rates of \$.23 to \$.30 per kWh. Energy not used during the month produced is credited to Cawelo's account and available for next month's usage. Based on conservative estimates, the project would reduce PG&E energy costs by \$20 Million over 25 years. Staff requests Board authorization to execute the PPA once legal counsel has reviewed and approved. The Board indicated Staff should proceed with developing the project and related agreements.

**ADJOURNED TO CLOSED SESSION** – The meeting adjourned at approximately 10:01 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 (a) California Department Of Water Resources v All Persons Interested, Sac. Sup. Ct. No. 34-2020-00283112; (d)(2) (one matter) and (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) **Real Property Purposes; Storage/Well Sites**
- 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 approximately 11:01 a.m. District Legal Counsel announced that no action was taken in Closed Session that would require disclosure under the Brown Act at this time.

The Board then considered agenda item 4 (a), Employee Compensation.


After Review and Discussion, *it was motioned by Director Blackwell, seconded by Director Smith and carried by the following Roll Call Vote, that the Families First Coronavirus Response Act (FFCRA) paid sick time accruals that were unused and remaining for 2020 be extended into 2021 for all District Staff.*

**AYES: 5**      **Watkins, Blackwell, Smith, Gaugel, Birch**  
**NOES: 0**  
**ABSTAIN: 0**  
**ABSENT: 0**

After review and discussion, *it was motioned by Director Blackwell, seconded by Director Birch and carried by the following roll call vote, that compensation levels be increased for District Staff pursuant to Management's recommendation, and the General Manager's compensation be increased by 3.5%.*

**AYES: 5**      **Watkins, Blackwell, Smith, Gaugel, Birch**  
**NOES: 0**  
**ABSTAIN: 0**  
**ABSENT: 0**

- L. ADJOURNMENT** – The Board meeting adjourned at 11:06 a.m. The next regular CWD Board Meeting is set for Thursday, February 11, 2021 at 9:00 a.m.

  
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Brian Blackwell, Board Secretary