CAVELO 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: 966 0613 8499 / Password: 626105
Or via Link: https://zoom.us/j/96606138499?pwd=YlHsuXBeTbWHa5MFzUR2syalhmUT09
Thursday, October 8, 2020
9:00 a.m.

MINUTES

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 W. Hartsock
OTHER ATTENDEES: Kevin Assemi, M. Davis, Andy Schweikart, Todd Turley (via 661-910-4286), Rick.us

A. CALL TO ORDER
The Board Meeting was called to order by President Watkins at 9:12 a.m.

B. APPROVAL OF BOARD MINUTES
Minutes of the Board meeting for September 10, 2020 were presented for approval. After review and discussion, it was motioned by Director Blackwell, seconded by Director Smith and carried by the following Roll Call Vote, that the minutes from September, 2020 be approved as modified.

AYES: 4 Watkins, Blackwell, Smith, Gaugel
NOES: 0
ABSTAIN: 0
ABSENT: 0

C. Appointment to Fill Director Vacancy
Mr. Ansolabehere reported that the appropriate posting of a vacancy on the Board of Directors was performed as required by law, and the only application/letter of interest regarding a desire to fill the vacancy was received from Mr. Spencer Birch, General Manager, South Valley Farms. After review and discussion, it was motioned by Director Blackwell, seconded by Director Gaugel and carried by the following Roll Call Vote, that Mr. Spencer Birch be appointed to fill the vacancy on the Board Directors. Mr. Birch then took the oath of office.

AYES: 4 Watkins, Blackwell, Smith, Gaugel
NOES: 0
ABSTAIN: 0
ABSENT: 0
C. TREASURER’S REPORT

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

- General Funds: 2,186,665.69
- Construction Funds: 6,657,222.87
- Reserved Funds: 9,319,621.16

**TOTAL FUNDS**

- Receipts for September 2020: 7,836.66
- Manual Cash Disbursements: 3,739.92

Net Revenue through August: 5,583,806.61
Total Expenses through August: 4,016,856.89
**NET REVENUE / <LOSS>**: 1,566,949.72

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

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

D. ACCOUNTS PAYABLE

District Controller, Ms. Giles, presented the Accounts Payable report for the month of September, 2020. The report covered checks 32695 through 32753 issued October 7, 2020 in the amount of $4,130,003.90; Manual disbursements covered ACH debits and totaled $3,739.92.

After review and discussion, it was motioned by Director Blackwell, seconded by Director Smith and carried by the following Roll Call Vote, that the Accounts Payable from September, 2020 be approved as presented.

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

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 the scheduling of a new ad hoc committee meeting date is still under review pending resolution of NKWSD’s City of Bakersfield issues.

b. **Famoso to Friant Pipeline Project** – Mr. Ansolabehere reported that, pursuant to Dee Jaspar, the boring contractor is scheduled to start work at the end of October and, it should take approximately 30 days to complete the bore. Contractor is scheduled to dig a bore pit and receiving pit next week.

District staff has reviewed the construction plans developed by Dee Jaspar & Associates, Inc. for the tie-in to the Friant Canal. The Friant Water Users Authority is now reviewing the plans and should forward them to the Bureau for approval prior to the 1st of November. A potential change order for a Tie-in will be considered and Nicholas Construction has submitted a price and proposal which is being reviewed by Dee Jaspar. A long lead time for a 60” butterfly valve is also being considered.

c. **Landowner Recharge** – Mr. Hampton reported the draft environmental checklist and proposed Negative Declaration has been reviewed by staff. Staff is working with the consultant to prepare documents for the posting requirement. Pending the posting date and any potential comments, the proposed Negative Declaration could be available for Board review and consideration for adoption at the November CWD BOD meeting.

2) **ILRP - Coalition Update** – In addition to providing a written report, Mr. Hampton advised that CVGMC monitoring has been completed for 14 of 15 wells in the monitoring network. Once received, data will be processed and prepared for annual submission.

The report continued with an update on the Regional Board’s reminder notices sent to coalition members for nitrate sampling in their wells. Regulatory compliance for this requirement is between the well owner and the Regional Board.

A summary was provided on the SSJV MPEP and CV-SALTS update meeting held on October 7th. The meeting agenda was attached to the written report. Mr. Hampton noted the annual State Board fees have increased by 3.5%. The fees for the year 2020 are $1.09/acre and will increase to $1.12/acre for 2021. Additionally, it was reported the normal end of the year outreach meetings will be by webinar 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 Compensations** – Nothing to discuss at this time.

5) **SWP**

   a) **Delta Conveyance Project (DCP) – (Previously Cal Water Fix)** – In addition to providing a copy of the power-point presentation from the Kern County Water Agency, Mr. Ansolabehere gave an update on the DCP and the October 8, 2020 KCWA Member
Unit Managers meeting. A 2-year or 4-year financial obligation option was discussed. Background information on the DCP was provided including information supporting the DCP cost estimate of $15.9 billion.

Mr. Ansolabehere further reported that 2021 – 2024 planning and environmental review costs are $385 million and the District’s share at 100% participation is roughly $1.5 million under the 2 year option. Other potential participation levels and options were discussed. KCWA is asking member units to formally approve their level of participation and commitment in the planning and environmental review process by their November Board meetings.

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 a draft petition submitted to State Board and Jane Ling, Senior Water Rights Engineer, is still under review.

I. MANAGER’S REPORT
   1) Water Deliveries/Supplies into the District for September, 2020 were as follows:

<table>
<thead>
<tr>
<th></th>
<th>Ac-Ft Delivered</th>
<th>YTD</th>
</tr>
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<tbody>
<tr>
<td>Supplies Received</td>
<td>6,951</td>
<td>63,677</td>
</tr>
<tr>
<td>Landowner Deliveries</td>
<td>6,932</td>
<td>54,356</td>
</tr>
<tr>
<td>East Poso Basin Recharge</td>
<td>0</td>
<td>337</td>
</tr>
<tr>
<td>Famoso Basin Recharge</td>
<td>799</td>
<td>4,549</td>
</tr>
<tr>
<td>System Loss/Operational Recharge</td>
<td>-107</td>
<td>-2,654</td>
</tr>
</tbody>
</table>

   Diversion from Poso Creek:
   To Famoso Basin Banking 0 0
   Perculation losses Creek Channel 410 3,780
   Poso Creek Water Passed Trenton Weir 1,121 11,386

   Produced Water Deliveries for the month of September, 2020 were as follows:
   Chevron 35.7 cfs per day (2,123 ac-ft.)
   CRC/Bell Aire 7.5 cfs per day (477 ac-ft.)

   2) System Operations & Maintenance:
   Copper sulfate applications to the distribution canal and reservoirs continue as needed and meter repairs are still being conducted throughout the District. District staff is working with landowners on two potential new turnouts. Chevron is working on relining of polishing pond with temporary bypass to reservoir “b”. Outlet structure work should be complete by the end of November with overall project completion by the end of January 2021.

   3) Resolution 689 Adopt Poso Creek 2019 IRWMP Update:
Poso Creek Regional Water Management Group has adopted the 2019 Plan update to the Poso Creek IRWM Plan. It is recommended that each individual district formally adopts the plan update prior to submission to the State.

After review and discussion, it was motioned by Director Blackwell, seconded by Director Gaugel and carried by the following Roll Call Vote, that the Poso Creek Regional Water Management Group 2019 IRWMP Update be approved as presented.

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

4) PG&E WDT3 Rate Case Filing:
PG&E has filed a rate increase that will increase some of the Districts usage costs over 5 times the current rate. PWRPA has intervened in the case and filed a protest prior to the October 6th deadline. It has been recommended that all PWRPA districts should file an intervention. The District’s intervention action could possibly have several benefits without cost or further legal obligations as those costs will be covered by PWRPA. PWRPA had a drafted intervention available for use by individual districts or that could be used as a single filing with multiple districts listed. Intervention was due by October 6th and was signed by District staff. Staff asks that the decision to intervene be ratified.

After review and discussion, it was motioned by Director Blackwell, seconded by Director Smith and carried by the following Roll Call Vote, that the Districts participation in the intervention of PG&E’s WDT3 Rate Case Filing be ratified.

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

5) Operations Report:
Mr. Ansolabehere reports that District Staff has completed their review of the revised draft of the Operational Report. Legal Counsels review continues but should be completed shortly with only minor revisions expected.

ADJOURNED TO CLOSED SESSION – The meeting adjourned at approximately 10:53 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) (one matter) (d)(4) (four matters).

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 approximately 11:15 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.

L. ADJOURNMENT – The Board meeting adjourned at 11:15 a.m. The next regular CWD Board Meeting is set for Thursday, November 12, 2020 at 9:00 a.m.

Brian Blackwell, Board Secretary