

KINGS COUNTY WATER DISTRICT
BOARD OF DIRECTORS REGULAR MEETING MINUTES
THURSDAY, JUNE 6, 2019

President Taylor called the regular meeting to order at 1:30 p.m.

DIRECTORS PRESENT: Joseph Freitas, Michael Murray, Ernest Taylor
DIRECTORS ABSENT: Steven P. Dias, Barry McCutcheon,
OTHERS PRESENT: Dennis Mills, General Manager
Ray Carlson, Attorney
Johnny Gailey, Delta View WA
Karen Ornsby, Grand Jury

ESTABLISH QUORUM

It was determined that a quorum was present at the meeting.

CONFLICT OF INTEREST

None.

PUBLIC COMMENT PERIOD

None.

APPROVAL OF MINUTES OF THE REGULAR MAY 9, 2019 MEETING

President Taylor asked if there was a motion regarding the minutes circulated in this month's Board packets. Director Freitas made a motion to approve the May 9, 2019 meeting minutes as submitted. Director Murray seconded the motion and the Board unanimously approved the meeting minutes of May 9, 2019. The vote for all of the Directors was as follows:

AYES: Joseph Freitas, Michael Murray, Ernest Taylor

NOES: None

ABSTAINED: None

ABSENT: Steven P. Dias, Barry McCutcheon

COMMUNICATIONS

None.

GENERAL MANAGER

FY 2017-2018 AUDIT REPORT

Manager Mills asked the Board if they had any concerns or questions after the presentation by Mike Cuttone on the District's Fiscal Year 2017-2018 Audit Report presented at the May 9 Board meeting. The Board members did not relay any questions or concerns. Manager Mills recommended that the Board adopt the Fiscal Year 2017-2018 Audit Report as submitted by Cuttone & Mastro CPA. Director Freitas made a motion consistent with the recommendation and Director Murray seconded it. President Taylor called for a vote on adopting the submitted Fiscal Year 2017-2018 Audit Report. The vote for all of the Directors was as follows:

AYES: Joseph Freitas, Michael Murray, Ernest Taylor

NOES: None

ABSTAINED: None

ABSENT: Steven P. Dias, Barry McCutcheon

DISTRICT COMMENTS ON PETITIONS TO MODIFY FULLY APPROPRIATED STREAM STATUS OF KINGS RIVER

Director McCutcheon joined the meeting at this point.

Consistent with previous discussions, Manager Mills reported that he had drafted a letter on behalf of the District to the State Board to comment on Petitions to Modify the Fully Appropriated Status of the Kings River. Manager Mills reviewed and discussed the content of the letter with the Board.

WATER SUPPLY UPDATE AND RENTAL PRICE DISCUSSION

Manager Mills reported on the latest flood release email from the Kings River Water Master. Indications are that flood release will likely continue through June and perhaps some of July depending on weather conditions. He also reported that the Kaweah was also in Flood Release but there was less certainty about the duration. In addition to this Manager Mills showed the Board a presentation of several basins throughout the service area to show some of the District's recharge efforts.

Manager Mills reported that both Peoples and Last Chance ditch companies are seeing significant increase to costs due to the changed salary structure that requires pay for overtime. This will mean that estimated stock assessments will go up through the rest of the year.

Manager Mills addressed the issue of the District's water rental price and asked for direction on whether the Board wanted to adjust the price from \$30/AF that was set in May. He relayed the potential magnitude of the financial impact of leaving the rental price lower than the \$55/AF amount set last fall for this year's irrigation season. The Board viewed that because of flood release conditions the price they wanted to leave the rental price the same at \$30/AF. Director Freitas made a motion keep the rental price at \$30/AF until flood release ends or until the end of the month if flood release ends close to it. Director McCutcheon seconded the motion and President Taylor called for a vote. The vote for all of the Directors was as follows:

AYES: Joseph Freitas, Barry McCutcheon, Michael Murray, Ernest Taylor

NOES: None

ABSTAINED: None

ABSENT: Steven P. Dias

NEW 7TH AVENUE BASIN PROJECT

Manager Mills reported that staff and a local growers are slowly removing persimmon trees. The plan is that Manager Mills will be pursuing a seepage test later this summer. He recently received a draft protocol from Brian Ehlers at Provost & Pritchard. The CEQA documentation for basin development is a mitigated negative declaration and is about 3 weeks away from being ready for circulation. Manager Mills discussed the Project description with the Board. Manager Mills reported that draft document contains standard mitigations for cultural resources and surveys for nesting birds. Manager Mills recommended that the Board allow staff and the consultant to circulate the Draft mitigated negative declaration for the required period of time, and at the regular August 8 Board meeting bring the package back to the

Board for consideration/adoption. Director McCutcheon made a motion consistent with that recommendation and it was seconded by Director Murray. President Taylor called for a vote and the vote for all of the Directors was as follows:

AYES: Joseph Freitas, Barry McCutcheon, Michael Murray, Ernest Taylor

NOES: None

ABSTAINED: None

ABSENT: Steven P. Dias

Manager Mills relayed that Eric Ward reports that the almond crop looks good on the property and some of the trees are needing props. Mr. Ward has signed up Mariani to process the harvest and the only anticipated cultural costs left are the hull-split spray. He's thinking harvest will be the first week of August.

SGMA UPDATE

GREATER KAWEAH GSA

Manager Mills reported that efforts to pursue groundwater modeling projections required that Staff develop anticipated projects in the Kaweah Subbasin to be included in the model. A summary table of these projects was shown to the Board. Most of the efforts are planned to be discussed with Lakeside IWD in order to develop an understanding on how costs and development will be addressed. The other general effort has been trying to develop Sustainable Management Criteria that make sense and can be monitored. Manager Mills has also been trying to get revised documents back from GEI that integrate previous comments.

MID-KINGS RIVER GSA

Manager Mills reported that he was in the process of reviewing the Tulare Lake GSP's Monitoring and SMC Chapters. He reported that the Southwest Kings GSA had requested that the GSA Parties be reconsidering the Subbasin's 2017 Interim Operating Agreement that outlined decisions related to GSP development and cost sharing. He reported that there was a new potential for the Subbasin to pursue another grant application for \$500K in GSP Implementation funding. Lastly he made the Board aware that the June MKR GSA Board meeting needed to be rescheduled and he would need the director's availability for alternate dates.

ON-GOING EFFORTS

Manager Mills reported that he planned to have Allied Weed Control return to spray the weeds along Riverside Ditch next week. He also relayed conceptual plans for a temporary siphon at Cody basin, dirt excavation from Griswold slough, and a siphon project near 13th & Hood Ave to increase deliveries through pipeline to existing basin.

EXPENDITURE LIST APPROVAL & FINANCING STATEMENT ACCEPTANCE

On a motion by Director McCutcheon, with a second by Director Freitas, it was unanimously approved by the Board that the expenditure list and financial statement be accepted as submitted. The vote for all of the Directors was as follows:

AYES: Joseph Freitas, Barry McCutcheon, Michael Murray, Ernest Taylor

NOES: None

ABSTAINED: None

ABSENT: Steven P. Dias

TRANSFER OF FUNDS

Manager Mills conveyed that a transfer of \$450,000 from the Union Bank General Account to the District's LAIF Account was needed this month. Director McCutcheon made a motion to approve the transfer and Director Freitas seconded the motion. President Taylor called for a vote and the vote for all of the Directors was as follows:

AYES: Joseph Freitas, Barry McCutcheon, Michael Murray, Ernest Taylor

NOES: None

ABSTAINED: None

ABSENT: Steven P. Dias

BOARD MEMBER DISCUSSION/ANNOUNCEMENTS OR REPORTS

None.

SET NEXT MEETING DATE

The next regular Board of Directors meeting was set for July 11, 2019 at 1:30 p.m.

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Government Code Section § 54956.9(b)

President Taylor directed that the Board move into Closed Session to discuss a potential property purchase. The Board of Directors, Attorney Carlson, Attorney Johnson and General Manager Mills proceeded into Closed Session.

RECONVENE TO OPEN SESSION

Following the Closed Session, President Taylor reported that there was no reportable action from the discussions in Closed Session.

ADJOURNMENT

There being no further business, the meeting was adjourned at approximately 4:00 p.m.

Respectfully submitted,

Dennis Mills
MIN06.06.19