

KINGS COUNTY WATER DISTRICT
BOARD OF DIRECTORS REGULAR MEETING MINUTES
THURSDAY, OCTOBER 8, 2020

As a results of the COVID-19 emergency, the public was able to participate through a conference call. Directors could choose to meet with Staff in the Board Room or participate through a conference call. President Taylor called the regular meeting to order at 1:30 p.m.

DIRECTORS PRESENT: Steven P. Dias, Joseph Freitas (phone),
Barry McCutcheon (phone),
Michael Murray, Ernest Taylor

DIRECTORS ABSENT: None

OTHERS PRESENT: Dennis Mills, General Manager
Ray Carlson, Attorney (phone)

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 SEPTEMBER 10 MEETING

President Taylor asked if there was a motion regarding the minutes circulated in this month's Board packets. Director Murray made a motion to approve the regular September 10, 2020 meeting minutes with minor revisions proposed by counsel. Vice-President Dias seconded the motion and the Board unanimously approved the regular September 10, 2020 meeting minutes. The vote for all of the Directors was as follows:

AYES: Steven P. Dias, Joseph Freitas, Michael Murray, Ernest Taylor

NOES: None

ABSTAINED: None

ABSENT: Barry McCutcheon

COMMUNICATIONS

Director McCutcheon joined the conference call during the report of communications.

Manager Mills reports that HSR representatives have been pressuring him to complete a review of materials submitted on the Riverside Culvert.

Manager Mills reported that he had a received a letter from the Reclamation District 761 to Kings River Water Association (KRWA) that related to J.G. Boswell Pumping. He explained that it was a confusing letter in that it was asking a group of surface water right holders to exert jurisdiction they don't seem to collectively have over the groundwater pumping a party to the association.

Manager Mills reported that Stoel Rives, LLP has been in contact about whether Kings CWD surface water is limited by Reclamation Reform Act.

Manager Mills reported that Southern California Gas construction efforts on the Garner property have been delayed until January 2021.

Manager Mills reported that Doug Verboon had requested the District let the County know where they can help with the Kings River Fully Appropriated Stream (FAS) defense.

Manager Mills reported on a Tulare ID and AEWS effort to survey land assessments and water rates to aid them with their upcoming Proposition 218 efforts.

Manager Mills reported on a conversation with Bill Winterberg about development of a new Peoples lift pump, an existing Last Chance lift pump, and existing basins between 12th-13th Avenues.

GENERAL MANAGER

STAFF-ADMINISTRATION

Manager Mills reported that this month District staff had generally been healthy and there were no Covid-19 issues to report.

Manager Mills reported that invoices for rented water were recently sent out and to date the District had received payments of roughly \$200,000.

Manager Mills reported that the District had received a letter from the legal firm of Downey Brand, LLP which appeared to be on behalf of Semitropic Water Storage District (SWSD) and relate to SWSD's water rights application on the Kings River. The letter requested the representative be placed on the District's list of parties receiving CEQA notices for projects involving Kings River water and 2020 Board of Directors meeting materials. Manager Mills relayed that he sent a response directing the representative to the District's website for the available materials. However, the representative responded with their view of how the District should provide the materials to them.

Manager Mills reported that he was beginning to prepare a draft budget for the Board's consideration next month and asked if there were any specific issues the Board wanted him to consider while it was in development. The Board considered the opportunity but did not provide any guidance at that time.

WATER SUPPLY

Manager Mills reported on recent discussions related to KRWA's defense of Kings River FAS designation at a future State Board hearing.

Manager Mills reported on Provost and Pritchard producing the District groundwater contour maps for Spring 2020.

Manager Mills reported that a few surface water renters had questioned the invoiced amounts provided by Peoples Ditch Company. The questions seems to have merit, so staff pulled a few other invoices to review and compare. In those invoices reviewed, a few other amounts appeared to be questionable. Manager Mills relayed that he had subsequent conversations with Manager Hemans about the issue and Manager Hemans was working on revisions to address the matter.

Manager Mills reported that he had met with Colton teVelde about Grouse Creek issues related to stealing surface water. Manager Mills reported that the meeting went well and Mr. teVelde committed to addressing the District's requirements in order to be allowed to sign up in 2021.

Manager Mills reported that he had received a call from JG Boswell Co. staff on the KRWA Imported Water Policy and Boswell plans related to Imported Water in Peoples and Last Chance Water ditch companies.

Manager Mills also reported that he had been made aware of an unsigned document that described a Boswell sale of surface water to Westlands WD, Pleasant Valley WD and San Luis WD in 2020. Manager Mills investigated the document and learned that it appears to be an annual contract put in place to facilitate a potential sale if surplus supplies become available to Boswell. The arrangement seems to be Boswell using their Kings River supplies to justify selling TLBWSD “Table A” supplies to the group of westside CVP districts. Manager Mills reported that he expressed interest to Boswell staff in contracting for surplus Kings River water supplies in a similar arrangement.

Manager Mills discussed the possibility of purchasing wet year surface water and the financial motivators for parties like Boswell. The discussion considered a scenario with a wet year water purchase for a price greater than the District’s rental rate and how that could be handled over a period of time through adjustments to the rental rate. Board members expressed views about how quickly costs related to the additional water supply would be recouped. There was also a question about how GSAs might participate in an opportunity like this. At the conclusion of the discussion, Manager Mills relayed that he would bring this topic back for further discussion in the future.

FACILITIES

Manager Mills reported that efforts on Weidman Basin continued to move forward. He relayed that an Air Board permit had been secured, and that Sheriff Robinson had also communicated some requests. Also, Manager Mills reported that while developing a CEQA exemption with P&P staff, a few issues had come up related to Clean Water Act related issues that had changed this year at the State level. The Weidman Basin appears to be shown on the National Wetland Inventory as a wetland, even though the facility was man-made, the facility only sees surface water periodically, the facility is intentionally operated as a recharge basin and is not a wetland in the District’s view. Manager Mills discussed the information with the Board and recommended that they authorize the District’s Attorney to contract for services to investigate the matter further and how the District might navigate the related issues. Director McCutcheon made that motion and Director Murray seconded it. President Taylor called for a vote and the vote for all of the Directors was as follows:

AYES: Barry McCutcheon, Steven P. Dias, Joseph Freitas, Michael Murray,
Ernest Taylor

NOES: None

ABSTAINED: None

ABSENT: None

Manager Mills reported that in September ASR Geotechnical had conducted several soil borings on the 80 acre parcel previously discussed as a potential basin site, along East Settlers ditch, owned by Vice-President Dias. He reported that unfortunately the soil borings showed mostly silty sand at the site along with other denser soils. Manager Mills also reported that Manager Hemans of Peoples DC conveyed that he understood the capacity of East Settlers to be roughly 20-30 CFS at that site. The Board discussed the information about soils on the site as well as other related matters. The Board concluded that they did not wish to pursue the property

further given the information from the soil borings. The Board thanked Vice-President Dias for considering how the property might benefit the area as a recharge basin and making the District aware of the opportunity.

SGMA – MID-KINGS RIVER GSA

Manager Mills reported that the Mid-Kings River GSA had received a letter from the legal firm of Downey Brand, LLP which appeared to be on behalf of Semitropic Water Storage District (SWSD) and relate to SWSD's water rights application on the Kings River. The letter was the same as the one sent to the District.

Manager Mills reported that there had finally been significant progress on the Round 2 SGM Grant closeout after contacting Dane Mathis, who manages DWR's Fresno Office.

Related to MKR GSA Bridge Funding, Manager Mills relayed that the GSA had not yet received funds from Kings County.

Manager Mills reported that consultants had provided him the first Round 3 SGM Grant Reimbursement Request draft for review. He reported providing comments and that the consultants are adjusting the request.

Manager Mills reported that the Tulare Lake GSAs had submitted the Spring 2020 groundwater levels to DWR. DWR had communicated that they would send a "late" letter related to the timeframes of submittal, but no letter has yet been received.

Manager Mills reported that he had worked with P&P staff to develop a spreadsheet of parcels and owners within Kings County based on current assessor's information. This effort hopefully will be the basis of well registration in the area.

Manager Mills reported that communication with Kings County continue related to well permits. They continue to say they are working on making that happen.

Manager Mills reported on the potential for Land IQ efforts for the Tulare Lake subbasin. Manager Mills also reported that he continued efforts on the Kings CWD proposal related to non-cropped areas.

Manager Mills reported that there was a grant coming this winter from DWR for SGMA Implementation projection. He stressed the need to have discussion with other GSAs about which projects would be submitted. He also relayed that Corcoran ID seems to have projects in mind for submittal.

SGMA – GREATER KAWEAH GSA

Manager Mills reported that there had been a GK TAC meeting for the third quarter. He also reported that GK GSA staff had again reached out to him related to developing a new CIMIS Station in the area.

ON-GOING EFFORTS

Manager Mills reported on the survey efforts on Independent Ditch. These results appear to suggest that there has not been significant subsidence along the Independent Ditch alignment, but the head of the system is suffering from diminished capacity related to available water surface in Last Chance's East Branch. After some investigation Manager Mills suggested that it was necessary to survey the East Branch upstream of the Independent Ditch diversion to evaluate capacity and possible subsidence. Manager Mills contacted Tim Odom of P&P and got an estimate for the effort of \$3,500 and that they could accomplish the survey at the end of October. Manager Mills asked if the Board was willing to authorize the additional consulting efforts.

Director Murray made that motion and Vice-President Dias seconded it. President Taylor called for a vote and the vote for all of the Directors was as follows:

AYES: Barry McCutcheon, Steven P. Dias, Joseph Freitas, Michael Murray,
Ernest Taylor

NOES: None

ABSTAINED: None

ABSENT: None

EXPENDITURE LIST APPROVAL & FINANCING STATEMENT ACCEPTANCE

On a motion by Vice-President Dias, with a second by Director McCutcheon, 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: Barry McCutcheon, Steven P. Dias, Joseph Freitas, Michael Murray,
Ernest Taylor

NOES: None

ABSTAINED: None

ABSENT: None

TRANSFER OF FUNDS

Manager Mills conveyed that a transfer of \$200,000.00 from the Union Bank General Account to the District's LAIF account was needed. Director McCutcheon made a motion to approve the transfer and Director Murray seconded the motion. President Taylor called for a vote and the vote for all of the Directors was as follows:

AYES: Barry McCutcheon, Steven P. Dias, Joseph Freitas, Michael Murray,
Ernest Taylor

NOES: None

ABSTAINED: None

ABSENT: None

BOARD MEMBER DISCUSSION/ANNOUNCEMENTS OR REPORTS

None.

SET NEXT MEETING DATE

The next regular Board of Directors meeting was set for November 5, 2020 at 1:30 p.m.

ADJOURNMENT

There being no further business, the meeting was adjourned at approximately 5:00 p.m.

Respectfully submitted,

Dennis Mills
MIN10.08.20