

MINUTES

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT REGULAR MEETING OF THE BOARD OF DIRECTORS

April 19, 2017

3:00 P.M.

21415 Reeves Street, Tehachapi, CA 93561

Item 1. Call to Order and Roll Call

Directors Present: Hall, Pack, Worden and Zanutto

Directors Absent: Prel

Staff in Attendance: Tom Neisler, LaMinda Madenwald and Lori Bunn

Item 2. Flag Salute

Pledge of Allegiance, led by Director Worden.

Item 3. Approval of Agenda

The agenda was approved on motion made by Director Pack and seconded by Director Worden.

(Ayes: Hall, Pack, Worden and Zanutto; Noes: None; Abstain; None; Absent: Prel)

Item 4. Comments by any Party on Items of Interest and Within the Subject Matter Jurisdiction of the Legislative Body

No public comments were made.

Item 5. Consent Calendar - Consent items are considered routine and are intended to be acted upon as a single item, without discussion. During this portion of the meeting, the Consent Calendar will be read aloud. Prior to approval, the President will give the Board the opportunity to remove any item from the Consent Calendar to be discussed and voted on individually. The President will also give staff and the public the opportunity to request any item be discussed individually, in which case the President will determine whether the item will be removed from the Consent Calendar. The remaining calendar will be acted upon. Any removed items will then be heard and acted upon individually.

- a. Approve Minutes of the Regular Meeting of March 15, 2017
- b. Approve Financial Report and Payment of Bills
- c. Approve Contract with JS Strategic Consulting for Project WET and Authorize General Manager to Execute

President Zanutto asked if there were any items the Board or members of the public would like to pull for discussion. Director Worden asked to pull Item 5c.

President Zanutto stated that if there were no objections, Items a and b would be adopted. There being no objections, the items were adopted.

- c. Approve Contract with JS Strategic Consulting for Project WET and Authorize General Manager to Execute

Director Worden asked how this program was going to be funded. Ms. Madenwald explained that a portion of these funds (\$9,909) were included in the current fiscal year budget and the remainder (\$16,455) will be included in the 2017-18 fiscal year budget. Ms. Madenwald reviewed the staff report for this item. Comments were made by members of the Board and public. After discussion, this item was tabled.

Item 6. Manager's Report

Mr. Neisler began his report by reviewing precipitation data and he reported that the District's imported water system is now operating with a three-engine system. In addition, he reported on the following:

- Reservoir operations and reservoir level chart included in the Manager's Report;
- Installation and testing of the 10,000 gallon storage tank at the campground;
- SWP increased the allocation to 85%. The District's allocation is 16,405 acre feet of water for 2017;
- Repairs at Oroville Dam, low bid for repairs was \$275,000,000, the project will take two-years to complete;
- Clifton Court Forebay repairs are complete;
- California Water Fix, meetings continue;
- Detailed report on engine repair at Plant 2;
- The District obtained a license from Crystal Organic to install and maintain a pipeline to to the T&A 120 acre parcel in Cummings Valley;
- The District's emissions consultant has noticed that carbon monoxide emissions have increased. Due to the limitations of the California Air Resources Board, this could be a problem for the District. Staff and the emissions consultant are working with a representative of CARB regarding the limitations and how they apply to the District;
- Annual Watermaster Reports for Tehachapi and Cummings Basins are filed with the Court, SIGMA reporting to DWR is complete and the spring 2017 CASGM reports are filed;
- The annual pump plant tour is scheduled for May 18, 2017;
- The agenda for the May 17, 2017 Board meeting will be posted on Friday, May 12. Staff reports for the Board package will be distributed May 16, in alignment with Director and Staff attendance of the ACWA Conference scheduled for May 7-May 12.

Mr. Neisler offered to answer questions. In regard to the engine repair, Ted Wyman asked if staff overhauled the engine. Mr. Neisler responded that it was done in-house.

Director Hall asked questions regarding the Oroville Dam repairs. Mr. Neisler answered his questions.

Item 7. Nominate Director for CSDA Board of Directors per Call for Nominations

Mr. Neisler reviewed the staff report for this item and the requirements to serve on the CSDA Board. No directors were interested in serving on the CSDA Board at this time.

Item 8. Adopt Resolution 4-17, Consolidating District Elections to the Statewide General Elections

Lori Bunn reviewed the request from the Kern County Elections Division to amend Resolution 15-16, by adding three specific statements: 1) The District requests that the biennial election of Directors be consolidated with the statewide general elections in even-numbered years; 2) the District will reimburse the County of Kern for the costs of conducting any election on behalf of the District as provided by Government Code Section 10002; and 3) the resolution will remain in effect until rescinded by the Board.

Director Worden asked if this would change the way the elections are done. Ms. Bunn responded that the elections schedule would not change. Director Worden made additional comments regarding the number of changes required. Ms. Madenwald responded to his questions and comments.

Director Hall made a motion to adopt Resolution 4-17, Consolidating District Elections to the Statewide General Elections. President Zanutto seconded the motion and roll call was taken on the vote:

Ayes: Hall, Pack, Worden and Zanutto
Noes: None
Abstain: None
Absent: Prel

Item 9. Adopt Resolution 5-17, Supporting ACWA's Policy Statement on Bay-Delta Flow Requirements

Mr. Neisler reviewed the staff report provided to the Board and explained ACWA's policy statement on the Bay-Delta flow requirements. With the Board members agreeing to support ACWA's policy, President Zanutto made a motion to adopt Resolution 5-17, Supporting ACWA's Policy Statement on Bay-Delta Flow Requirements. Director Hall seconded the motion and the resolution was adopted with a roll call vote:

Ayes: Hall, Pack, Worden and Zanutto
Noes: None
Abstain: None
Absent: Prel

Item 10. Approve Modification to Contract with Mojave Pipeline Operating Company LLC, and Authorize General Manager to Execute

Mr. Neisler reviewed this matter and explained that this natural gas pipeline serves Plants 1, 2 and 3. He said it is operated and maintained by Kinder-Morgan. Mojave Pipeline is a subsidiary of Kinder-Morgan. The District contracted with Mojave Pipeline Operating Company in May, 2001 to operate and maintain that pipeline at a cost of \$25,000 per year. Mr. Neisler reviewed the modifications to the contract with Mojave Pipeline, as well as the changes in conditions and in the scope. The annual cost to maintain the pipeline will be increased by \$12,996.00 to \$37,996.

After discussion, Director Pack made a motion that the Board approve the modification of the contract with Mojave Pipeline Operating Company and authorize the General Manager to incorporate minor revisions and execute the contract. Director Worden seconded the motion and

it was carried on the following vote: Ayes: Hall, Pack, Worden and Zanutto; Noes: None; Abstain: None; Absent: Prel.

Item 11. Discussion of 2016 and 2017 Water Supply and Demand

Mr. Neisler said this report is being provided to keep the Board aware of where the District is on the 2017 Water Supply and Demand. The staff report included the following tables: 2016 Sources and Uses of Imported Water-SWP Allocation; 2017 Imported Water Deliveries-SWP Allocation; Imported Water Demand Forecast-2017; Imported Water Demand-2017; Imported Water Deliveries-2017; and a chronology of the 2016 Table A Carryover. Mr. Neisler reviewed each table and discussion took place.

Item 12. Adopt Ordinance 2017-1 Establishing Water Priorities for 2017

Mr. Neisler reported that the Water Priority Committee met on March 27th to review the draft ordinance and finalize a committee recommendation. He reviewed the ordinance and explained that Legal Counsel reviewed the ordinance and made some minor changes. Mr. Neisler then read the list of priorities for water service.

After discussion, Staff recommended that the Board adopt this ordinance and direct the General Manager to notify those approved groundwater banking customers that we do not anticipate having water available for banking at this time.

Director Hall had concerns and asked questions regarding the groundwater banking customers. Mr. Neisler answered his questions.

President Zanutto made a motion that the Board adopt Ordinance No. 2017-1, Establishing District Water Sales Priorities for 2017 and direct staff to monitor conditions and report back to the Board at a later date if imported water is available for Voluntary Banked Water Reserve Account Fulfillment. The motion was seconded by Director Pack and roll call was taken on the vote:

Ayes: Hall, Pack, Worden and Zanutto
Noes: None
Abstain: None
Absent: Prel

Item 13. Accept Contract Documents and Authorize General Manager to Advertise for Bids for Board Room Remodel

Mr. Neisler reviewed this matter with the Board. He said the architect estimates the cost of the remodel to be \$250,000. After review, Mr. Neisler asked the Board to accept the contract documents for the board room remodel project, authorize the General Manager to advertise for bids and conduct the bid process.

Director Hall made a motion for the Board to accept the contract documents for the board room remodel project, authorize the General Manager to advertise for bids and conduct the bid process. The motion was seconded by Director Pack and carried on the following vote: Ayes: Hall, Pack, Worden and Zanutto; Noes: None; Abstain; None; Absent: Prel.

Item 14. Discuss Strategic Planning Workshop

Mr. Neisler developed an outline for the Strategic Planning Workshop and it was provided to the Board. Some potential dates were also provided. Mr. Neisler asked for direction from the Board on how to proceed. Discussion took place at this time. Mr. Wyman suggested some changes to the mission statement with regard to the District's flood control responsibilities. President Zanutto suggested that Board members return comments on the outline and provide available dates for the Strategic Planning Workshop to the Board Secretary by the end of the week.

Item 15. Closed Session:

- a. In Accordance with Exhibit A Attached Hereto-Cummings Valley
- b. In Accordance with Exhibit B Attached Hereto-General Manager

The Board went into Closed Session at 5:24 p.m.

Item 16. Return to Open Session

The Board returned to Open Session at 6:34 p.m.

a. Report Action Taken in Closed Session

1. In Accordance with Exhibit A Attached Hereto-Cummings Valley

President Zanutto reported that no action was taken in Closed Session.

2. In Accordance with Exhibit B Attached Hereto-General Manager

President Zanutto reported that there was no action taken in Closed Session.

Item 17. Adjournment

The meeting was adjourned at 6:35 p.m. on a motion made by Director Hall, seconded Director Worden and unanimously carried. Ayes: Hall, Pack, Worden and Zanutto; Noes: None; Abstain: None; Absent: Prel.



Rick Zanutto, President



Lori Bunn, Secretary

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT

CLOSED SESSION ITEM DESCRIPTIONS
(Gov. Code § 54954.5)

A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov. Code, § 54956.8.)

Description of Property: _____

Negotiating Parties: _____

Subject of Conference: _____

B. CONFERENCE WITH LEGAL COUNSEL (Gov. Code, § 54956.9.)

1. Existing Litigation: Case No. 97209

Name of Case: Tehachapi-Cummings County Water District
a Body Corporate and politic, vs. Frank Armstrong et. al.

2. Anticipated Litigation: _____

Gov. Code § 54956.9 (b): _____

Gov. Code § 54956.9 (c): _____

C. PUBLIC EMPLOYEES (Gov. Code, § 54957.)

1. Appointment: _____

Title: _____

2. Employment: _____

Title: _____

3. Performance Evaluation: _____

Title: _____

4. Discipline/Dismissal/Release: _____

D. CONFERENCE WITH LABOR NEGOTIATOR (Gov. Code, § 54957.6.)

Agency Negotiator: _____

Employee Organization: Not applicable

Unrepresented Employee: _____

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C. PUBLIC EMPLOYEES (Gov. Code, § 54957.)

1. Appointment: _____
Title: _____
2. Employment: _____
Title: _____
3. Performance Evaluation: _____
Title: General Manager
4. Discipline/Dismissal/Release: _____

D. CONFERENCE WITH LABOR NEGOTIATOR (Gov. Code, § 54957.6.)

Agency Negotiator: _____
Employee Organization: Not applicable
Unrepresented Employee: _____