

BOARD OF DIRECTORS
ROSEDALE-RIO BRAVO WATER STORAGE DISTRICT
MINUTES OF THE REGULAR BOARD MEETING

July 14, 2020

8:30 a.m.

NOTE: This meeting was conducted by teleconference pursuant to and in conformance with Executive Order N-29-20 relating to public meetings during the State of Emergency that was declared as a result of COVID-19.

DIRECTORS PRESENT

Roy Pierucci, Gary Unruh, Jason Selvidge, Mitch Millwee & Barry Watts

OTHERS PRESENT

District Staff - Eric Averett, Dan Bartel, Zach Smith, Megan Misuraca, Markus Nygren & Dan Raytis
Public - George Capello, Rick Iger, Doug Gosling & Garrett Busch

CALL TO ORDER

President Pierucci called the meeting to order at 8:30 a.m.

CONSENT ITEMS

- a) Regular Board Meeting Minutes – June 9, 2020
- b) Treasurer’s Report – Filed as presented.

A motion was made by Director Selvidge and seconded by Director Unruh to adopt and accept the Consent Items. The motion was unanimously passed.

AYES: Directors Pierucci, Unruh, Watts, Selvidge and Millwee

NOES: None

ABSTAINED: None

FINANCIAL REPORTS

- a) Accounts Payable/ June 6, 2020 through July 10, 2020 — Mr. Averett reviewed the accounts payable report with the Board. A motion was made by Director Millwee and seconded by Director Watts to ratify and approve payment of the accounts payable in the total amount of \$3,405,294.33 as set forth in the Accounts Payable report provided to the Board. The motion was unanimously passed.

AYES: Directors Pierucci, Unruh, Watts, Selvidge and Millwee

NOES: None

ABSTAINED: None

- b) Revenue and Expenditures Report – Mr. Averett reviewed the current Revenue and Expenditures Report through 06/30/2020 with the Board.
- c) Public Hearing- Consideration of Resolution No. 508 - Adopting Assessment Rates for the year 2020-2021 – Mr. Raytis announced that it was the time and place for the public hearing on the District’s assessment to be collected in 2020-2021 and outlined the process for the public hearing. Mr. Raytis advised the Board that notice of the hearing was published in the Bakersfield Californian and that the proof of publication would be made a part of the record.

President Pierucci opened the public hearing. Mr. Averett reviewed the District's budget model, including projections, which contained the District's anticipated costs and revenues for the 2021 year using assumptions guided by the Board's preliminary consideration of the assessments at its May 2020 meeting. After discussion, President Pierucci asked whether any public wished to speak. There were no public comments received. President Pierucci closed the public hearing. A motion was made by Director Selvidge and seconded by Director Millwee to adopt Resolution No. 508 setting the District assessment rate at \$100 per acre for the 2020 tax year (collected 2020-2021). A roll call vote was taken, and the motion was unanimously passed.

AYES: Directors Pierucci, Unruh, Watts, Selvidge and Millwee

NOES: None

ABSTAINED: None

DISTRICT OPERATIONS REPORT

- a) District Water Levels & Hydrographs Report – Mr. Smith reviewed the current District water levels with the Board.
- b) Operations Report – Mr. Smith reviewed current operations with the Board noting the District had reduced pumping activities. Mr. Smith also briefly discussed PG&E expenditures and noted the majority of those expenses will be reimbursed by banking partners.
- c) Maintenance Report – Mr. Smith reviewed maintenance projects that have taken place over the last month noting the fence installation on the James Project.
- d) Consideration of Encroachment Permit-Goose Lake Channel – Mr. Nygren reported on the PowerDrive Energy Services, LLLC request for an encroachment permit to replace piping under the Goose Lake Channel West of Nord and East of Driver. A motion was made by Director Watts and seconded by Director Millwee to authorize staff to execute the encroachment permit as presented. The motion was unanimously passed.

AYES: Directors Pierucci, Unruh, Watts, Selvidge and Millwee

NOES: None

ABSTAINED: None

STATE WATER PROJECT ACTIVITIES UPDATE

- a) Update on State Water Project Operations – Mr. Averett discussed the current SWP operations.
- b) Update on the California Delta Conveyance Project – Mr. Averett gave a brief update on the Delta Conveyance Project. He advised the Board of the details regarding a recently received reliability report. He also advised the Board that there is a desire to have the contractors indicate their respective levels of commitment to the project.

MANAGER'S REPORT

- a) Update on District Certificates of Participation Refinancing – Mr. Averett advised the Board on the latest activities and schedule relating to the potential refinancing of the Districts current debt obligations.
- b) Update on District Water Management Programs – No report.
- c) Consideration of multi-year program with Exchange Contractors – Mr. Averett reviewed the Agreement for a Water Recharge, Transfer and/or Exchange Program with the "Exchange

Contractors” with the Board. Mr. Averett highlighted differences in this agreement from the similar arrangements that the District had entered with the Exchange Contractors in the past. A motion was made by Director Unruh and seconded by Director Selvidge to authorize staff to execute the agreement with Exchange Contractors, in substantially the same form as presented to the Board, subject to approval of General Counsel as to any material changes and as to form. The motion was unanimously passed.

AYES: Directors Pierucci, Unruh, Watts, Selvidge and Millwee

NOES: None

ABSTAINED: None

ENGINEERS / PROJECTS REPORT

a) Onyx Ranch

- i. Operations Report – Mr. Bartel gave an update on staff activities including water operations and flows to the Board. Mr. Bartel advised the Board of the DEIR public briefing video that was produced and published.
- ii. Consideration of Hunter’s Cabin Roof Replacement – Mr. Bartel advised the Board that the roof on the Hunter’s cabin needed to be replaced and reviewed the proposal received. A motion was made by Director Selvidge with a second by Director Millwee to approve a budget in the amount of \$10,096 to replace the Hunter’s cabin roof at Onyx. The motion was unanimously passed.

AYES: Directors Pierucci, Unruh, Watts, Selvidge and Millwee

NOES: None

ABSTAINED: None

b) Drought Relief Project

- i. Status Report – Mr. Bartel reviewed the Project Status Report covering the activities through the end of June 2020.
- ii. Stockdale East Wells - Consideration of Pay Estimate – None

c) Recharge and Conveyance Project – Mr. Bartel advised the Board that staff has been working with USBR to perform the necessary environmental studies to support the project CEQA and NEPA efforts for the grant received on the McCaslin recharge pond and Houghton Weir replacement. Mr. Bartel also noted efforts by Staff to apply for additional WaterSmart grant funds for the second phase of the McCaslin recharge basin development.

COMMITTEE REPORTS

a) Groundwater Banking Authority - Mr. Averett discussed with the Board various activities relating to the Groundwater Banking Authority and the Kern Fan Project, as follows:

- i. Kern Fan Project – Mr. Averett provided a general description of project activities.
- ii. Groundwater Banking Authority Implementation (Presentation) – Mr. Averett reviewed the slides contained within a presentation that had recently been presented regarding the project.
- iii. Consideration of Conditions Precedent – Mr. Averett reviewed with the Board a letter received from DWR regarding DWR’s willingness to process permits and agreements relating to the project. Upon discussion, a motion was made by Director Millwee and

seconded by Director Unruh to accept the letter from DWR as sufficient to begin formation and operation of the Groundwater Banking Authority and to authorize setting a budget not to exceed \$37,000 for Rosedale's share of DWR's costs to process approval of the project turnout. The motion was unanimously passed.

AYES: Directors Pierucci, Unruh, Watts, Selvidge and Millwee

NOES: None

ABSTAINED: None

- iv. Consideration of Bylaws – Mr. Averett reviewed the Groundwater Banking Authority Bylaws with the Board. A motion was made by Director Unruh and seconded by Director Millwee to approve the bylaws in substantially the form presented, subject to approval of legal counsel as to form. The motion was unanimously passed.

AYES: Directors Pierucci, Unruh, Watts, Selvidge and Millwee

NOES: None

ABSTAINED: None

- v. Consideration of Appointment of Rosedale Representatives – Mr. Averett advised the Board of the need for the Board to select two representatives to serve on the Groundwater Banking Authority Board of Directors and to select an alternative representative to serve in the absence of a representative. The Board discussed the subject matter and a motion was made by Director Watts with a second by Director Millwee to appoint President Pierucci and Director Selvidge to serve as the representative for the District and Director Unruh as the alternative. The motion was unanimously passed.

AYES: Directors Pierucci, Unruh, Watts, Selvidge and Millwee

NOES: None

ABSTAINED: None

- vi. Consideration of MBK Budget Augmentation for DWR Modeling Efforts – Mr. Averett reviewed a proposal to augment the MBK Budget with the Board. A motion was made by Director Selvidge with a second by Director Millwee to approve the augmentation of the MBK Budget for the DWR Modeling Efforts as proposed and to pay ½ of the costs of MBK's augmented budget. The motion was unanimously passed.

AYES: Directors Pierucci, Unruh, Watts, Selvidge and Millwee

NOES: None

ABSTAINED: None

- vii. Consideration of Engineering Planning Services – No action taken.

- b) James Groundwater Banking Authority – Mr. Bartel advised the Board of the latest activities occurring with the James Groundwater Banking Authority.
- c) Kern Groundwater Authority – No report.
- d) Rosedale Management Area Committee – No report.
- e) Kern Fan Monitoring Committee – No report.
- f) Cross Valley Canal Advisory Committee – No report.
- g) Pioneer Project – No report.
- h) Kern River Watershed Coalition Authority (KRWCA) – No report.
- i) Kern Fan Authority – No report.

- j) Banking Projects Joint Operating Committee (JOC) – No report.
- k) Committee for Delta Reliability – No report.
- l) South Valley Water Resources Authority – No report.
- m) Valley Ag Water Coalition – No report.
- n) Kern Integrated Regional Water Management Plan – No report.

ATTORNEY’S REPORT

- a) Consideration of District Staff Salary Schedule – Mr. Raytis presented the Board with the District’s salaries schedule for year 2017 and discussed CalPERS requirements regarding the same. A motion was made by Director Watts with a second by Director Selvidge to adopt the District’s salary schedules for 2017. The motion was unanimously passed.

AYES: Directors Pierucci, Unruh, Watts, Selvidge and Millwee

NOES: None

ABSTAINED: None

OLD OR NEW BUSINESS

None

CORRESPONDENCE

None

PUBLIC COMMENT

None

CLOSED SESSION

During the meeting, the Board met in closed session, as follows: At 10:12 a.m. Director Pierucci announced the Board would meet in closed session. At 10:54 a.m., the Board reconvened to open session.

Mr. Raytis reported that no reportable action was taken in closed session.

ADJOURNMENT

Meeting was adjourned at 10:55 a.m.