

BOARD OF DIRECTORS
ROSEDALE-RIO BRAVO WATER STORAGE DISTRICT
MINUTES OF THE REGULAR BOARD MEETING
February 14, 2023
8:00 a.m.

DIRECTORS PRESENT

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

DIRECTORS ABSENT

None

OTHERS PRESENT

District Staff / Consultants – Dan Bartel, Trent Taylor, Megan Misuraca, Markus Nygren, Dan Raytis, Zach Smith, Rachelle Echeverria & Jennifer Spaletta
Public –John Gaugel & Ken Bonesteel

CALL TO ORDER

President Pierucci called the meeting to order at 8:00 a.m. and immediately turned to the Public Hearing on Resolution No. 530 in the matter of Consideration of Formation of Rosedale- Rio Bravo Water Storage District Groundwater Sustainability Agency (see below).

APPROVAL OF MINUTES

- a) Regular Board Meeting Minutes – January 10, 2023
- b) Special Board Meeting Minutes – January 23, 2023

A motion was made by Director Selvidge with a second by Director Millwee to approve the Board of Directors’ January 10, 2023 regular meeting minutes and the January 23, 2023 special meeting minutes. The motion was unanimously passed.

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

NOES: None

ABSTAINED: None

FINANCIAL REPORT

- a) Treasurer’s Report – Ms. Misuraca reviewed the treasurer’s report as of January 31, 2023 with the Board.
- b) Accounts Payable/ January 7, 2023, through February 10, 2023 — Ms. Misuraca reviewed the accounts payable report with the Board. A motion was made by Director Watts and seconded by Director Unruh to ratify and approve payment of the accounts payable in the total amount of \$392,819.64. The motion unanimously passed.

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

NOES: None

ABSTAINED: None

- c) Revenue and Expenditures Report – Ms. Misuraca reviewed the current Revenue and Expenditures Report through January 31, 2023 including budget vs. actual.

- d) FYE December 31, 2022 Budget vs. Actual – Ms. Misuraca reviewed the budget vs. actual report for the District’s FYE December 31, 2022 and noted the variances on specific accounts.
- e) Consideration of Proposal for 2022 Audit – Ms. Misuraca reviewed the proposal for the FYE December 31, 2022 District audit with the Board. A motion was made by Director Watts with a second by Director Millwee to execute the BHK Accountancy engagement letter and set a budget not to exceed \$32,000. The motion unanimously passed.
 - AYES: Director Pierucci, Selvidge, Unruh, Millwee and Watts
 - NOES: None
 - ABSTAINED: None
- f) Consideration of Arbitrage Management Proposal – Ms. Misuraca reviewed disclosure requirements for the 2020 series COP and the proposal from Amtec to perform the arbitrage rebate computation. Ms. Misuraca noted that Mr. Bartel would authorize the work pursuant to his spending authority; by consensus, the Board agreed.

OPERATIONS AND MAINTENANCE REPORT

- a) District Groundwater Levels – Mr. Nygren advised the Board of current groundwater levels with reference to the District’s minimum thresholds under SGMA.
- b) Operations Report – Mr. Smith reviewed water conveyance and recharge operations and estimated balances with the Board.
- c) Maintenance Report – Mr. Smith reviewed maintenance projects that have taken place over the last month and noted the truck ordered in the beginning of 2022 is expected to be delivered in February or March 2023.
- d) Goose Lake Realignment – Mr. Nygren briefed the Board on the status of the Goose Lake Canal re-alignment and noted repairs would be necessary to repair damages to the realigned canal after the first flow of recharge water.
- e) Consideration of Oil Access Waiver – Mr. Smith advised the Board that California Petroleum Group holds mineral rights on the Stockdale East property and requires an oil access waiver to maintain the site. A motion was made by Director Millwee with a second by Director Watts to authorize staff to execute the oil access waiver through 2035. The motion was unanimously passed.
 - AYES: Directors Pierucci, Selvidge, Unruh, Millwee and Watts
 - NOES: None
 - ABSTAINED: None
- f) Consideration of Encroachment Permit for Irrigation Pump – Mr. Smith reported staff received a request to install a permanent pump turnout off the Goose Lake Channel West of Nord Road to irrigate farmland during recharge periods with in-lieu water. A motion was made by Director Watts with a second by Director Unruh to authorize staff to issue an encroachment permit to Kameron Stewart for the installation of a permanent pump turnout off the Goose Lake Channel of Nord Road. The motion unanimously passed.
 - AYES: Directors Pierucci, Selvidge, Unruh, Millwee and Watts
 - NOES: None
 - ABSTAINED: None

WATER RESOURCES REPORT

- a) State Water Project Operations – Mr. Taylor briefed the Board on current operations. Mr. Taylor also reviewed the 8-station index graph with the Board.
- b) California Delta Conveyance Project – Mr. Taylor briefed the Board on the status of the Delta Conveyance Project and advised the Board the public comment period closes on February 14, 2023 for the DEIR.

MANAGER’S REPORT

- a) Consideration of Termination of Drought Emergency Declaration- Public Contract Code §22050(c)(1) – Res. No. 519 – Ms. Echeverria reported that State Water Project allocations were increased from 5% to 30% and staff was hopeful that it will be increased more with the recent changes in hydrological conditions. A motion was made by Director Unruh with a second by Director Selvidge to terminate the Drought Emergency Declaration made by Resolution No. 519.
AYES: Directors Pierucci, Selvidge, Unruh, Millwee and Watts
NOES: None
ABSTAINED: None
- b) Consideration of 2023-2028 Strategic Plan – Ms. Echeverria presented the final Strategic Plan document to the Board. A motion was made by Director Millwee with a second by Director Watts to adopt the 2023-2028 Strategic Plan Document as presented. The motion unanimously passed.
AYES: Directors Pierucci, Selvidge, Unruh, Millwee and Watts
NOES: None
ABSTAINED: None
- c) Consideration of Lease Agreement - Rosedale Kern Properties, LLC – Mr. Taylor reported that Rosedale Kern Properties requested adjustments to the lease agreement that the Board approved at the January 10th, 2023 Board meeting. A motion was made by Director Unruh with a second by Director Millwee to approve execution of the lease agreement with Rosedale Kern Properties in substantial form for the amount of \$71,604 per year in addition to Rosedale reimbursing the landowner for the District’s portion of the property tax assessment. The motion unanimously passed.
AYES: Directors Pierucci, Selvidge, Unruh, Millwee and Watts
NOES: None
ABSTAINED: None

ENGINEERS / PROJECTS REPORT

- a) Onyx Ranch
 - i. Operations Report – Mr. Bartel briefed the Board on the Onyx Ranch operations and project flows to the Board.
 - ii. Conservation Easements – No report.
- b) Improvement Projects – Mr. Nygren gave a brief report on current SCADA improvements and reported on the initial operations of the new Houghton Weir. Mr. Nygren also gave a brief report on the SCADA class he attended at Cal Poly.

- c) Consideration of Technical Services Agreement – Mr. Bartel briefly reviewed the AECOM and GEI consulting agreements with the Board. A motion was made by Director Millwee with a second by Director Watts to authorize staff to execute consulting agreements with AECOM and GEI for general engineering services in an amount not to exceed \$25,000 each. The motion unanimously passed.

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

NOES: None

ABSTAINED: None

- d) Consideration of Acquisition of Flow Measurement Equipment – Mr. Bartel advised the Board that staff is required to take flow measurements frequently and the current equipment requires excessive staff time and a more advanced measuring device would be extremely beneficial. A motion was made by Director Selvidge with a second by Director Millwee to authorize the purchase of a RS5 boat for stream measurements in an amount not to exceed \$32,000. The motion unanimously passed.

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

NOES: None

ABSTAINED: None

COMMITTEE REPORTS

- a) Groundwater Banking Joint Powers Authority – Mr. Bartel advised the Board on the latest activities.

- b) James Groundwater Banking Authority – Mr. Bartel briefed the Board on the January Board meeting and noted the James Water Bank Authority 2023 budget was approved.

- c) Kern Groundwater Authority – Mr. Bartel and Mr. Taylor briefed the Board on the latest activities.

- d) Rosedale Management Area Committee

- i. Consideration of 2023 SGMA Budget – Ms. Echeverria reviewed the 2023 SGMA budget with the Board. A motion was made by Director Watts with a second by Director Unruh to approve and adopt the 2023 SMGA budget as presented. The motion unanimously passed.

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

NOES: None

ABSTAINED: None

- ii. Public Hearing - Resolution No. 530 – Consideration of Formation of Rosedale- Rio Bravo Water Storage District Groundwater Sustainability Agency – Director Pierucci opened the public hearing at 8:00 a.m. and asked Mr. Raytis to provide a statement to the public. Mr. Raytis stated as follows:

This is the time and place noticed for the public hearing on the formation of the Rosedale Rio Bravo Water Storage District Groundwater Sustainability Agency pursuant to Water Code Section 10723(b). Staff has published a notice of this hearing in accordance with legal requirements, and that published notice will be a part of the record of the hearing.

To date, Rosedale has complied with the Sustainable Groundwater Management Act, in part, through participation in the Kern Groundwater Authority's Groundwater Sustainability Agency. In this respect, Rosedale has drafted its own chapter that is included in the KGA's Groundwater Sustainability Plan.

Staff believes that it is in Rosedale's best interest to form its own GSA covering the lands within Rosedale and those lands where landowners have entered into a contract with Rosedale for SGMA services. I note that there are a few parcels that have entered into contracts with Rosedale, but which are also within the Rosedale Ranch Improvement District of North Kern Water Storage District, and those landowners are electing to stay with North Kern and so the GSA boundary is slightly smaller than it was in the past. Formation of a Rosedale GSA would provide the Board with clearer jurisdictional powers with respect to SGMA mandates, including the power to establish and impose certain fees, charges and penalties that are limited to GSAs under SGMA. It will also provide Rosedale with greater autonomy over SGMA issues within the boundary of the proposed GSA in the future. At present, Staff is recommending that the Board form the GSA, but that the GSA remain a member of the KGA GSA.

If the Resolution is adopted, staff will provide the KGA and, ultimately, DWR with notice of the Board's decision along with other legally required information. Once DWR has determined that Rosedale's notice is complete, the GSA and DWR will post the notice on their respective websites. The decision to become a GSA will become effective 90 days after DWR's posting of notice. I ask that the Board open the floor for public comments on the matter.

Mr. Pierucci asked if any member of the public wished to be heard on the matter. No public comments were received. The public hearing was closed at 8:05 a.m.

A motion was made by Director Unruh with a second by Director Selvidge to adopt Resolution No. 530, which forms the proposed GSA and directs staff to comply with legal mandates regarding such formation and provide notice to the KGA, DWR and any additional agencies, and to take all other actions as specified in the resolution. A roll call vote was taken, and the motion unanimously passed.

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

NOES: None

ABSTAINED: None

- iii. Consideration of Technical Services Agreement Basin Study – Mr. Bartel reviewed the proposal from Thomas Harder and Co. to provide Hydrogeological data and process review development for the KGA Conceptual model. A motion was made by Director Millwee with a second by Director Watts to authorize staff to enter into a technical services agreement with Thomas Harder and Co in an amount not to exceed \$30,000. The motion unanimously passed.

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

NOES: None

ABSTAINED: None

- e) Kern Fan Monitoring Committee – Mr. Nygren reported he was elected as chairman of the Kern Fan Monitoring Committee for 2023.
- f) Cross Valley Canal Advisory Committee – Mr. Bartel reported on the CVC Advisory Committee meeting noting that Mr. Mulkay stepped down as chairman and Mr. Nicholas was elected Chairman with Mr. Bartel being elected as Vice Chairman.
- g) Pioneer Project Committee – Mr. Bartel briefed the Board on the latest activities and advised the Board of a letter received from Kern Water Bank.
- h) Kern River Watershed Coalition Authority (KRWCA) – No report.
- i) Kern Fan Authority – Mr. Bartel gave a brief report on the meeting.
- j) Joint Operating Committee (JOC) – Mr. Bartel reported there was no meeting held, however the JOC is working to process the claim that was reported last month.
- k) Committee for Delta Reliability – Mr. Taylor briefed the Board on the last meeting.
- l) South Valley Water Resources Authority – Mr. Taylor reviewed South Valley Resources Authority projects with the Board.
- m) Valley Ag Water Coalition – Mr. Taylor gave a brief report on the last meeting.
- n) Kern Integrated Regional Water Management Plan – No report.
- o) Sites Reservoir Project – Mr. Taylor briefed the Board on the Sites Reservoir Project.
- p) Association of California Water Agencies – Mr. Taylor briefed the Board on the latest committee meetings.

ATTORNEY’S REPORT

No report.

OLD OR NEW BUSINESS

None.

CORRESPONDENCE

None.

PUBLIC COMMENT

None.

CLOSED SESSION

During the meeting, the Board met in closed session, as follows: At 9:50 a.m. President Pierucci announced the Board would meet in closed session. At 11:50 a.m. the Board reconvened to open session and Mr. Raytis announced there were no reportable actions taken in closed session.

ADJOURNMENT

Meeting was adjourned at 11:50 a.m.