

MINUTES

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS
November 18, 2020 3:00 P.M.
22901 Banducci Road, Tehachapi, CA 93561

ANNOUNCEMENT: THIS MEETING IS BEING CONDUCTED VIA TELECONFERENCE AS AUTHORIZED BY GOVERNOR GAVIN NEWSOM'S EXECUTIVE ORDER N-25-20. DIRECTORS AND THE PUBLIC WILL HAVE THE OPTION OF ATTENDING VIA THE ZOOM MEETING APP. THE MEETING ID IS 597-332-8446. THE PASSWORD IS 1118RBM. NO PHYSICAL MEETING IS SCHEDULED AT THE DISTRICT BOARDROOM, 22901 BANDUCCI ROAD, TEHACHAPI, CA 93561.

- Item 1. Call to Order and Roll Call**
Directors Present: Cassil (remote), Hall (remote), Pack (remote), Schultz (remote). Zanutto arrived in person at 3:27 p.m.
Legal Counsel: Bernie Barmann (remote)
Staff in Attendance: Catherine Adams (in person), Jon Curry (remote), LaMinda Madenwald (remote) and Tom Neisler (in person)
- Item 2. Announcement**
President Pack announced this meeting is being audio recorded, including all Board, Staff, and Public comments.
- Item 3. Flag Salute**
The Pledge of Allegiance was foregone.
- Item 4. Approval of Agenda**
Director Hall moved to approve the Agenda. Director Cassil seconded the motion and it was carried on the following vote: Ayes: Cassil, Hall, Pack, Schultz; Noes: None; Abstain: None; Absent: Zanutto.
- Item 5. Comments by any Party on Items of Interest and Within the Subject Matter Jurisdiction of the Legislative Body**
Director Cassil commented that her video was not working but was able to resolve the problem as she spoke. There were no other comments made in person, via Zoom, or by email.
- Item 6. 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 Board Meeting of October 21, 2020
 - b. Approve Quarterly Investment Report, Financial Report and Payment of Bills
- President Pack asked if there were any items the Board, Staff or Public would like to remove for discussion. No items were removed.

Director Hall moved to approve the Consent Calendar. Director Schultz seconded the motion and it was carried on the following vote: Ayes: Cassil, Hall, Pack, Schultz; Noes: None; Abstain: None; Absent: Zanutto.

Item 7. General Manager's Report

Mr. Neisler reported on the following matters:

- The picture on the Staff Report is our highly professional staff taking a minute out to celebrate Halloween by dressing up as characters from Wayne's World. This represents the enthusiasm of the team and the light-heartedness with which we can still do our jobs.
- Governor Newsom implemented some renewed restrictions yesterday. The office has been closed to the public and we do not anticipate any serious impact on operations going forward. Staff will continue to practice social distancing, personal protective equipment, and disinfecting. There have been no positive tests amongst the staff, and we are hopeful that will continue.
- An opportunity came about to apply for a California Offices of Emergency Services (CalOES) grant that was limited to Special Districts on October 21st, the same day as the last Board Meeting. The application was due on October 30th and Staff was able to apply for the maximum amount of \$300,000. The purpose of the grant is for a Public Safety Power Shutdown (PSPS) standby power improvements. The District had almost 120 hours of PSPS outages last year and within our District, the City of Tehachapi is recognized as a disadvantaged community. Mr. Neisler is hopeful about the District's chances of getting it and thanked Mr. Curry and Ms. Madenwald for their instrumental work on getting the application put together with him.
- As of yesterday, the Board decided to participate in the Delta Conveyance Project planning and engineering phase. The KCWA Board had a meeting at 1:30 p.m. and he will report on that later.
- Below normal precipitation is anticipated for the state. There has been some precipitation up north and today's chart indicates the state is at 38% of normal year-to-date.
- The State and US Bureau of Reclamation have restarted Voluntary Agreement negotiations. He will keep the Board informed as the negotiations move forward. These Agreements are how the State Water Project and the Central Valley Project are operated conjunctively. They are necessary to move forward and to extend our contracts with the State Water Project.
- Extraction wells were shut down on November 13th as the lake level reached 650 AF. This will allow for sufficient volume available through the end of this year and into the pumping season next year.
- This year the District is on track to deliver about 800 AF more water than was forecast and that is with importing 2,800 AF less than what our goal (10,000 AF) would be given our 20% allocation from the state. The only way we were able to import 7,200 AF this year was by extracting an additional 2,800 AF of banked storage in the San Joaquin Valley. Going into 2021, if it is another low allocation year, there may need to be restrictions. It's important that the Board and customers understand that this District cannot meet the same demand on a low allocation year over year. Staff is having dynamic discussions with the City about some development projects they have in line for approval. They are working on ways to make sure water supply is available to serve those developments and TCCWD is making the City aware that they are unable to serve a fixed M&I demand with a variable state water supply. We are hopeful we can work through some of these things.
- Mr. Curry has been appointed to serve on the Executive Board of the California Rural Water Association (CRWA). He has been with the association for a number of years and that has paid dividends to our District as he has conducted trainings, made some professional connections, and as a CRWA member, Mr. Neisler feels he is a great choice to serve on the Board.
- The Greater Tehachapi Economic Development Commission have resumed in-person meetings.
- As the year comes to a close, TCCWD has a lot to be thankful for. All of Staff's efforts, led by the Board of Directors, have produced amazing results this year under very difficult circumstances. All of these efforts continue to advance TCCWD as a "state of the art water district" as said in the 2019 Grand Jury Report. He thanked and wished everyone a blessed and safe Thanksgiving.

Director Zanutto asked if the 2800 AF extracted from the water bank was some of the Lower Kern River water. Mr. Neisler clarified that it was Article 21 transfer water from the agreement with ID4. There is still some Lower Kern River water banked there.

Item 8. Operation Manager's Report

Mr. Curry reported on the following matters:

- He continues to work with the claim's adjuster on the catastrophic engine failure at Plant 3. He's delivering data and setting up a timeline for them to get the old engine out, delivered to Texas for repair, shipped back and installed before the 2021 pumping season.
- A claim has been submitted to Farmers Insurance for \$4,316.38 for damages to the District's air vent suffered from the vehicle accident on Tehachapi-Willow Springs Road.
- As directed by the Board at the October 21st RBM, Staff placed an ad in the Tehachapi Newspaper to attempt to sell the surplus vehicles for more than the trade-in value. Staff held a viewing on the 12th and bids are due November 19th by 10:00 a.m. If an acceptable bid is not received, they will move forward with the trade-in.
- Operations Staff has completed the update to the Kern Multi-Jurisdictional Hazard Mitigation Plan and submitted it to the County's consultant for review.
- All wells with the exception of the City's Snyder well were shut down on November 13, 2020 and the Brite Lake data at that time was elevation 4,345.7', volume 661.9 AF, and level 19.7'. Recharges are currently shutdown.
- Off season work and CIP projects are underway. At PP2 and PP3, new air compressors were installed and electrical panel upgrades were done. This will increase air delivery volumes, storage and reliability.
- Top engine rebuilds were completed on Waukesha-Pierce engines 1 and 3 at PP1. Mechanics worked along side the Waukesha technician to learn how to do that work. It was a great training opportunity.
- The natural gas regulators at PP2 and PP3 were serviced, rebuilt and tested. Currently, there are two-2:3 ratio right-angle drives at De'Ran Gear for repair and overhaul, and one pump at Ruhrpumpen for repair. Two 7-stage pumps will be sent to Evans Hydro for repair prior to the next Board meeting.
- On October 28th, the Pipeline Department completed the connection to the 27" mainline for the Cummings Basin Westerly Recharge Project. Photos are attached to the Staff Report. The Pipeline Supervisor, Graysen Oldham, did a great job coordinating the work and the project went smoothly.
- New steel and aluminum signs were purchased from South Street Digital and installed at Antelope and Blackburn Dams as the original wooden signs were deteriorated or missing.
- The 14" replacement CLA-VAL (pressure reducing control valve) located at PP4 has been ordered and delivery is expected in December.
- Staff is putting together the data for the annual report to California Department of Fish and Wildlife for the Streambed Alteration Permit.
- Staff will isolate the tanks at PP3 and Superior Tank is set to begin their annual tank maintenance at the end of November. These are the only tanks scheduled for interior work this year, the rest will be visual inspections per the existing contract schedule.

Director Schultz inquired why Snyder well is continuing to run and Mr. Curry explained the City is still trying to purge the groundwater. He asked if there is a coating or anything that keeps the exterior of the 27" mainline from deteriorating. Mr. Curry stated it is encased in concrete and he showed the piece that was cut out of the pipe explaining that the pipe is in excellent shape for being 50 years old. He went into further detail explaining how the project was done.

Mr. Neisler commented that the 27" mainline tie-in was an important project with time constraints and being done by a new supervisor and new manager, the work occurred flawlessly. It is a very clean tie-in and kudos to them for getting it done in a timely and efficient manner.

Director Zanutto asked if the top end engine rebuilds were done as scheduled maintenance or were there problems arising. Mr. Curry stated the rebuild was done based on hours; engines 2 and 4 are scheduled for 2022. Director Zanutto mentioned he noticed a bill for welding on one of the storage tanks and inquired if that was based on a finding from Superior Tank inspections. Mr. Curry clarified that welding was done on the surge tank at PP1 to patch the bottom and that tank is not one on the Superior Tank contract.

Item 9. Adopt Resolution 15-20 Reopening, Renaming AND Changing the Purpose of Fund 60183

Ms. Madenwald stated this item is a housekeeping item. As part of the FY 2020-2021 Budget, the Board adopted a Resolution to rename Fund 60184 and to rename and change the purpose of Fund 60183. It turns out that the County cannot change the name of that fund until it has been reactivated by a Resolution of the Board because that fund was made inactive by Resolution in 2015. The County has asked that we reactivate Fund 60183 by Resolution so that it can be renamed and then changed. Adoption of Resolution 15-20 will reopen, rename, and change the purpose of Fund 60183 to accomplish this.

Director Hall moved for adoption of Resolution 15-20 Reopening and Changing the Name and Purpose of Fund 60183. Director Schultz seconded the motion and it was carried on the following vote: Ayes: Cassil, Hall, Pack, Schultz, Zanutto; Noes: None; Abstain: None; Absent: None.

Item 10. Adopt Resolution 16-20, Appoint General Manager to Serve as the Authorized Representative for all Grant Applications

Mr. Neisler explained the intent of this item is to appoint the General Manager as the Authorized Representative for grant applications to facilitate and expedite the process. Staff is constantly looking for opportunities to apply for grants that could provide a benefit to the District. One such opportunity presented itself in October but there was not time to have the Board authorize Mr. Neisler to submit the application on behalf of the District. He discussed the application with President Pack who signed the form, authorizing Mr. Neisler to submit the grant application at no risk to the District. This pointed out the need to have a blanket Resolution allowing the General Manager to do this to avoid missing opportunities in the future. The grant that was applied for was through CalOES for \$300,000 with no match required.

Resolution 16-20 will appoint the General Manager as the District's Authorized Representative for all grant applications. This will not give the authority to commit the District to providing matching funds for grant applications. If a grant has a matching component, finalization of that grant cannot be accomplished without the Board granting specific authorization for that request. In general, this is a way to expedite in processing of applications.

Director Cassil felt this was an excellent way to facilitate future grant applications and hopefully acquisition. Director Schultz had concerns for grants that might produce an ongoing maintenance expense. Mr. Neisler stated that those expenses would be included in the budget for the years it applies. President Pack commented with this CalOES grant, there will be ongoing maintenance on the generators, and it will need to be budgeted for, but it is worth it to get the generators paid for. Director Zanutto asked for clarification on what the General Manager will be authorized to do on behalf of the District. Mr. Neisler clarified that he would be authorized to sign the application as the Authorized Representative of the District, but he would not be authorized to expend funds on the District's behalf for matching or ongoing maintenance obligations. Those would come back to the Board for approval.

Director Schultz moved that the Board adopt Resolution 16-20 appointing the General Manager as the District's Authorized Representative for all grant applications and amend Recital 4 to state, "This Resolution would allow the Tehachapi-Cummings County Water District to apply for various grants but would continue to require the authorization of the Board of Directors to accept grants with matching funds or ongoing funding requirements." Director Hall seconded the motion and it was carried on the following vote: Ayes: Cassil, Hall, Pack, Schultz, Zanutto; Noes: None; Abstain: None; Absent: None.

Item 11. Accept Contract with AECOM for Engineering Services for 2020 RUWMP Preparation and Authorize General Manager to Execute

At the September Board meeting, Mr. Neisler was authorized to solicit requests for proposals for consultants to prepare the 2020 Tehachapi Regional Urban Water Management Plan (RUWMP). RFP packages were sent to 11 consulting firms and AECOM was the only one to submit a proposal. AECOM prepared the 2015 RUWMP and has proposed using the same staff to complete the 2020 report. Their familiarity with the approach and access to boiler plate data allowed them to submit a fee proposal of \$45,270.00. The process is set up so that TCCWD, as the wholesale supplier, will pay 20% of the costs and the other 4 participating agencies will split the remaining 80% proportionately. The District's share will amount to \$9,054.00. The four agencies have received authorization from their governing bodies to participate.

This is a very important report as it will provide water supply forecasts for the next 20 years, both from customers and a supply standpoint. Legal Counsel has now had time to review the contract and takes no exception to it, so Mr. Neisler is recommending approval of this contract with no further review necessary.

Director Cassil commented that AECOM has produced water reports for local agencies over the years and the information produced has been very valuable, so she supports approving the contract.

Director Cassil moved that the Board accept the contract with AECOM in the amount of \$45,270.00 for engineering services for 2020 RUWMP preparation and authorize general manager to execute the contract, subject to review by Legal Counsel. Director Hall seconded the motion and it was carried on the following vote: Ayes: Cassil, Hall, Pack, Schultz, Zanutto; Noes: None; Abstain: None; Absent: None.

Item 12. Update on Delta Conveyance Project Participation

Mr. Neisler stated that yesterday at the Special Board meeting, the Board took action on 3 items; 1) they authorized the District to participate in the Agreement in Principle for the Delta Conveyance Project with 100% participation of our Table 1 allocation of 19,300 AF per year, 2) approved the Member Unit Funding Agreement subject to review and acceptance by Legal Counsel, and 3) authorized participation in the Design and Construction Authority Joint Powers Authority. This afternoon, the Board of Directors of the KCWA approved all of those items on behalf of the Agency and all Member Units. Yesterday, the counsels of the various Member Units and the Agency Staff, came to an agreement on the Member Unit Funding Agreement and the final document was distributed to the TCCWD Board this morning. At this point, KCWA and TCCWD have completed their authorizations to the State to participate in the Delta Conveyance Project.

He displayed the completed Exhibit B of the Member Unit Funding Agreement. The Member Units that have agreed to participate at varying percentages make up 46.7% of the KCWA total Table 1 allocation. He pointed out that all of the Member Units have declined to participate in the 3rd and 4th year financing at this time.

Director Schultz asked for clarification on how Buena Vista was able to participate at 200%. Mr. Neisler explained that with only being 46.7% prescribed, anyone had the opportunity to make up that difference. They see an advantage for their District to commit to that higher level of participation and subsequent funding. They have a great ability to take high flow, Article 21 water, directly off the aqueduct. They are in a position where they do not have to convey that water through a channel or canal to spreading grounds, they have them directly off the aqueduct. They are a landowner district and are not tax subsidized like TCCWD.

Item 13. Update on Cummings Valley Amended and Restated Judgment

Mr. Barmann stated they are very near the end of the process as all parties, that they are aware of, have been served. Those who were served by publication have until the end of November to respond, and if they do not respond, Counsel will take their defaults. By December 8th, they plan to file the motion with the court, asking to amend the judgement as stated in the Amended and Restated Judgment Physical Solution. It will be set for hearing on January 5, 2021. They are going to apply to have the judgment adopted as a default judgment against all the non-appearing defendants. To date, no party has filed an answer to the Supplemental Complaint meaning everyone has either not responded at all, filed consents, or signed stipulations. There are 5 parties remaining that could possibly file an answer and they are not anticipating any of them doing that. Therefore, anticipating this goes before the judge unopposed, it would be granted on January 5th and hopefully entered shortly thereafter. Grimmway had their counsel online for the court appearance today to monitor the situation and no other parties appeared.

Director Cassil commented this is very exciting news. Mr. Barmann added that Mr. Kuhs pointed out yesterday that if they get this judgement entered, once 30 days passes, that will be the first final judgment in this case. The judgment that was entered in 1972, was appealed, remanded from the appellate court, and never finalized. This will represent a final judgment in the Cummings Basin Adjudication.

Item 14. Update on Cummings Basin Westerly Recharge Project

Mr. Neisler stated the construction on this project is virtually complete. Granite is delayed waiting on materials and the fencing has not been installed. These delays are not causing any scheduling problems for the District as we will not have use for the property until March of next year. The contractual deadline is near the end of December. Granite has put themselves in a position to come back and finish the work and that is never as easy, so now they will have weather to deal with. Mr. Curry is monitoring this project on a daily basis, and we are just waiting to get it complete. The most recent schedule Granite has provided indicates the project will be complete the week of November 23rd. There is no activity on the grant at this time. Director Hall inquired if the Grant sign is still on the project site and Mr. Neisler confirmed it will be there for one year.

Item 15. Schedule Ad-Hoc Audit Committee Meeting

Ms. Madenwald stated Staff is on track to present the audited financial statement at the December Regular Board meeting. She would like to schedule an opportunity for the Ad-Hoc Audit Committee to meet with the auditor. The Staff Report states the available dates for the auditor to meet and he has expressed a preference for a morning meeting. It was decided the meeting should be scheduled for December 8, 2020 at 9:00 a.m.

Item 16. Board of Directors Comments

Director Cassil reminded everyone the online ACWA Fall Conference is December 2nd and 3rd.

Director Zanutto requested permission to contact Steve Lee to work on his Surface Pro tablet. Mr. Neisler said they would be happy to accommodate that request and apologized for the inconvenience. Mr.

Neisler explained they have been working on the problem as it is affecting others, not just the tablets. Director Zanutto also mentioned the parking lot looks great.

Item 17. Adjourn to Closed Session

Closed Session was foregone as there was no information to discuss.

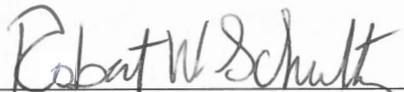
Director Zanutto asked if the Closed Session Exhibit B description should be updated to reference the new Delta Conveyance. Mr. Barmann stated the WaterFix case is not closed but the Delta Conveyance can be added to the description. Mr. Neisler stated Staff will make the change.

Item 18. Return to Open Session

No Closed Session was held.

Item 19. Adjournment

The meeting was adjourned at 4:44 p.m. on a motion made by Director Hall, seconded by Director Cassil and carried on the following vote: Ayes: Cassil, Hall, Pack, Schultz, Zanutto; Noes: None; Abstain: None; Absent: None.


Robert W. Schultz, Board President


Catherine Adams, Board Secretary



CLOSED SESSION ITEM DESCRIPTIONS

(Gov. Code § 54954.5)

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

Description of Property: _____
Proposed District Negotiator: _____
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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(Gov. Code § 54954.5)

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Negotiating Parties: _____
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B. CONFERENCE WITH LEGAL COUNSEL (Gov. Code § 54956.9.)

1. Existing Litigation: _____
Name of Case: DWR v. All Persons Interested in Authorization of
WaterFix Revenue Bonds et al.
2. Anticipated Litigation: _____
Gov. Code § 54956.9 (b): _____
Gov. Code § 54956.9 (c): _____

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

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