

MINUTES

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT
 REGULAR MEETING OF THE BOARD OF DIRECTORS
 April 21, 2021 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. A PHYSICAL MEETING IS ALSO SCHEDULED AT THE DISTRICT BOARDROOM, 22901 BANDUCCI ROAD, TEHACHAPI, CA 93561. PROPER PPE AND SOCIAL DISTANCING WILL BE REQUIRED. DIRECTORS AND THE PUBLIC MAY CHOOSE TO ATTEND IN PERSON (SUBJECT TO ROOM CAPACITY RESTRICTIONS) OR VIA THE ZOOM MEETING APP. THE MEETING ID IS 816-9879-1916. THE PASSWORD IS 0421RBM. THE DIAL-IN NUMBER IS (669) 900-9128, PASSCODE IS 0764823.

Item 1. Call to Order and Roll Call

Directors Present: Cassil (present), Hall (remote), Pack (remote), Schultz (present), Zanutto (present)

Legal Counsel: Robert Kuhs (present)

Staff in Attendance: Catherine Adams (present), Jon Curry (present), LaMinda Madenwald (present) and Tom Neisler (present)

Item 2. Announcement

President Schultz announced this meeting is being audio recorded, including all Board, Staff, and Public comments.

Item 3. Flag Salute

The Pledge of Allegiance was led by Director Zanutto.

Item 4. Approval of Agenda

Director Cassil presented a written statement requesting that there be meetings scheduled for all parties who request water from the District, all M&I and Agriculture customers, to attend regarding water delivery priorities for the next year. Her statement was added to Agenda Item 9 for further discussion.

Director Hall moved to approve the Agenda as amended. President 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 5. Comments by any Party on Items of Interest and Within the Subject Matter Jurisdiction of the Legislative Body

Mr. Neisler stated written comments were received from Jay Schlosser, City of Tehachapi, and Susan Wells, Golden Hills CSD, regarding Agenda Item 9. Those have been distributed to the Board via email and there are hard copies available.

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 March 17, 2021
- b. Approve Financial Report and Payment of Bills

c. ACWA JPIA Rate Stabilization Refund

President Schultz asked if there were any items the Board, Staff or Public would like to remove for discussion. There were none.

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

Item 7. General Manager's Report

Mr. Neisler reported on the following matters:

- The picture in the Staff Report is of San Luis Reservoir and the water level is very low.
- On March 24th, DWR announced they were decreasing the 2021 Table A Allocation from 10% to 5%. This equates to 965 AF of Table A allocation for the District.
- He attended a virtual meeting with the President and Vice President of ACWA, entitled "Leadership to Leadership". It was a small group meeting, so he was able to express several concerns and they were acknowledged.
- The President of the United States has declared California in a State of Emergency due to the drought and the Governor requested public water agencies implement drought control measures and declared a small portion of the northern coast of California to be in a drought.
- Staff started the importation system on April 1st as planned. The operational plan and forecast were presented earlier this year. Currently the lake level is slightly ahead of projections and extraction wells have been shutdown to rest.
- He continues to request quotes for 2024 natural gas and each time the price has gone up. The last quote received was for \$3.39/mmbtu and he will continue to look for a dip in the prices.
- A meeting was held with our public agency partners to discuss the Water Priority Ordinance and will be discussed further in Agenda Item 9.
- There have been no further COVID-19 positive cases amongst Staff. All the quarantined employees have returned to work. Some employees have begun the vaccination process.
- A check for \$300,000 has been received from CalOES for the PSPS Grant. We have not received a contract or restriction information to-date.
- Tomorrow is Earth Day and yesterday we received a request from the Salvation Army to do a volunteer clean-up effort in Antelope Run near the Sonic restaurant. They are working with the City of Tehachapi who will be providing them P.P.E. and other equipment. TCCWD is going to provide a truck and trailer to help haul debris, a couple pieces of equipment, some employee assistance and lunch for those involved. This was a great cooperative effort. The financial impact will include paying Worker's Compensation Insurance rates for the time the volunteers are actively working on District property.
- He reviewed the charts and pointed out the rainfall chart from DWR which shows that each month, the precipitation levels have not come close to the average.
- It was reported yesterday on the Member Unit Manager's call that the statewide average precipitation level is at 34% for YTD.

He offered to answer any questions. President Schultz was happy to see the lake level so high and inquired about the spill protections in place. Mr. Neisler assured him the proper structures are in place and are inspected regularly.

Item 8. Operation Manager's Report

Mr. Curry reported on the following matters:

- The District has received a \$5,100 reduction in annual fees for the dams from the Department of Water Resources. This happened last year as well. They have a new calculation system and because the District does not have any large flood gates or things of that nature, the fees have been reduced.

- Staff has been researching a Self-Generation Incentive Program for battery storage at PP5 from Southern California Edison (SCE). A consultant from Golden State Renewable Energy was utilized to facilitate the technical aspects of the site and how we pump. They presented a proposal for 4 hours of continuous pumping for one pump at the facility through a large battery bank. Staff was later informed that the California Public Utility Commission changed some of the requirements on what is considered low income areas and unfortunately TCCWD became ineligible for the program.
- The Large Entity Fleet One-Time reporting to California Air Resources Board (CARB) is complete. Our Controls and Emissions Technician was instrumental in getting this data compiled.
- The importation system start-up on April 1st went very well with only a couple small issues that were resolved by noon and the system was running at 14 CFS. He complimented all the Pumping Systems Staff on their great work and all the preparation they did in the off season on the engines and system to have it ready for this year.
- Extraction wells and recharges are turned off with the exception of the City's Snyder Well. Brite Lake data from April 16, 2021 was elevation 4360.5', volume 1562.8 AF, and level 34.5'.
- Maintenance activities include testing engines at full load capacity. Plant 1, engines 1 and 3, had top end maintenance and Plant 2, engine 3 went through an overhaul. At Plant 3, engine 3 was replaced by the remanufactured engine and is going through vibration testing. He thanked Ms. Madenwald and Ms. Adams for their assistance in the claims process for the remanufactured engine. The adjuster confirmed that an initial payment of roughly \$200,000 is in que.
- Level transmitters were installed in the bulk oil tanks at the pumping plants to allow for monitoring through the SCADA system.
- The new service truck has been delivered and is being tooled and put into service.
- The Pipeline Department made repairs to turnout T2S and installed T2S(2) due to brush fire damage, the Dennison Well has received new paint and gravel, and the pump plant road was graded, and then ag base was laid for safer roadways. Staff also completed the CASGEM, Key and General Well sounding for Spring 2021.
- The SWRCB opened the portal for the Electronic Annual Report (EAR) for the District Public Water System and Staff will be completing and submitting the EAR prior to the May 15, 2021 deadline.

Director Zanutto asked if there has been any testing done at the new Cummings Basin Westerly Recharge. Mr. Curry stated they tested the control valves and the SCADA setup to commission the equipment to complete the project. Director Zanutto asked about the protection in place at the new turnout and Mr. Curry described the boxes and setup. He asked what transpired about overrunning the generator hours during the PSPS last year. Mr. Curry responded they were notified by the State that due to the number of events that took place, there would be no penalty to those systems that had to keep water flowing during those shutoffs.

Item 9. Adopt Ordinance 2021-1 Establishing Water Delivery Priorities for 2021

Mr. Neisler apologized for the convoluted nature of the Staff Report with various attachments; his intention was to provide everything that has been previously presented along with current updates/revisions. He described the timeline and details of meetings and revisions as referenced in the Staff Report and attachments. Given the current water situation, there is need for a Water Priority Ordinance in 2021 and minor reductions in normal deliveries to some agricultural customers. Current implementation measures (Attachment G) will allow the District to meet the forecast deliveries, even given the 5% allocation, and monitor conditions as the year goes forward.

At the April 8th, Ad-Hoc Water Priority Committee Meeting, representatives of the City of Tehachapi (City) and Golden Hills CSD (GHCSO) requested to be included in future meetings regarding establishing water

priority ordinances. He explained that in the past, those who would be impacted by the restrictions have been invited to an advance meeting to describe the impacts. The committee and Staff readily agreed to, and support, the inclusion of all agencies at future meetings. This was also referenced by Director Cassil in her request earlier in the meeting.

The revised versions of the Ordinance are included as Attachments E (red-lined version) and F (clean version). The words "In the event of a shortage" were added to the title to clarify its meaning and purpose. Staff recommends adoption of Ordinance 2021-1. The fiscal impact is to be determined. To address the concerns expressed by our public water agency partners as well as the committee, a draft Minute Order is attached for the Board to consider detailing the Board's intention and direction to Staff to conduct a public meeting during consideration of any future water priority ordinances. Director Cassil's request expands on what Mr. Neisler had anticipated. The intent for the Minute Order is to ensure the procedure is established going forward.

Director Cassil stated she is making a distinction between priority of delivery and priority of opportunity to request water. She would like all customers, M&I and Ag, to be given the same opportunity to request water at the same time and the current draft does not address that. Mr. Kuhs sought clarification based on what he previously understood as her intention. Mr. Neisler explained that the existing process is that all stakeholders (M&I, Ag, etc.) make their water requests/orders for the next year by a November 1st deadline of the prior year, through a form that is distributed to them entitled Estimated Water Requirement. The Term M&I customers, through the terms of those agreements, receive preliminary notice of water supplies that are available by February 28th of the delivery year. All customers are notified of the delivery amounts available by May 1st of that year. Further discussion took place on demand, deliveries, and timelines. Director Cassil asked the City of Tehachapi and Golden Hills CSD representatives if they have been receiving and submitting these request forms by the November 1st deadline and they confirmed they have. Director Cassil stated that her concern has been addressed.

President Schultz commented that there has been confusion regarding whether this Ordinance refers to water in the basin versus water that is surface delivery and also whether it refers to priority in general versus priority during a shortage. He stated they went through the exercise with stakeholders to clarify that this Ordinance is in the event of a shortage as well as it only refers to surface water deliveries. About reserve accounts, in years where there is plenty of water, reserve accounts will be replenished and in years of shortage, the reserves are there to serve that purpose. He commented that he appreciated Susan Wells's (GHCSO) letter and addressed the four points she made. He stated when it comes to the water M&I agencies receive, there is no distinction on how it is used; they can manage their own use internally in times of shortage. Agriculture does not have that same situation and he feels that is why there are more qualitative details in the Agriculture section. Regarding her statements about decorative landscaping having a low priority, he reiterated that the M&I customers will manage their own landscape use through their delivery; this statement applies to customers that are strictly landscape customers receiving direct delivery water from the district. Regarding the concern for the Ordinance setting a precedent, the Ordinance is a fluid document that gets voted on each time it is needed. With the nature of having inconsistent water allocations, the District needs to be able to make changes to the Ordinance each time as conditions change. She mentioned there is no wording addressing how Banked Water Reserve account deficits will be handled. President Schultz stated he would have to consult with Mr. Neisler, but the purpose of the reserve account is to ensure you have water in the event of a shortage. In his review of reserve accounts, he was happy to see that many of the accounts are very healthy. The District will do its best to continue to deliver water in ways that the reserve accounts will not have to be used. If conditions change in the future, TCCWD can adjust the priorities to accommodate different

circumstances. He stated a lot of work was put into creating this Ordinance, there are very minor changes in comparison to the past, and he believes it is correct.

Susan Wells (GHCSO) appreciated the work TCCWD does, and Director Cassil's attempts to ensure M&I users have the opportunity for requests and delivery of water. She referenced President Schultz's comment and stated the opportunity to request water is different than the opportunity to be given priority of that water. GHCSO does have the opportunity to request water from TCCWD. She feels that if M&I users are not given priority proportional to the subsidy they pay, the opportunity to request does not mean they are going to be given the priority. She thinks it is important to make the distinction that M&I users are not given a priority based on, or even close to, the amount of subsidy their rate payers provide. She stated that although there is intent to include M&I users in the future discussions, if their concerns are not considered, having that discussion may lend M&I users in the same position they find themselves in this year.

Don Marsh (City) thanked Mr. Neisler and Mr. Curry for their cooperation and support on the Earth Day clean up at Antelope Run. On behalf of the City, he stated they would like to point out a few items they feel are misrepresentations of the City's view in the Staff Report. He stated the report indicates that all parties who were impacted by the water restrictions were invited to the March Irrigators Meeting, and they disagree because they feel M&I users are impacted by this as well. They feel their Banked Water Reserve accounts are assets of the municipalities that are owned by the residents within their respective areas. They do not feel it is TCCWD's asset to manage for them and therefore feel that when they are being forced to withdraw from their accounts, it is taking away control from them. His last point was to clarify that in the Staff Report, it indicates that the City does not object to the Ordinance. He stated the City does not agree to the Ordinance and referred to Mr. Schlosser's comments in the Minutes. They do understand TCCWD's authority and responsibility to set priorities.

Mr. Neisler addressed Mr. Marsh's comment about control of the Banked Water Reserve account. He stated that he agrees that anything that is in excess of the amount that is required under the Term M&I agreement is solely at the discretion of the owner of that water. He disagrees with the assertion that anything under that, within the 5-year requirement, is the City's control. That is controlled by TCCWD and is implemented and accessed in times of shortage by virtue of the Water Priority Ordinance. He agrees the City has well in excess of a 5-year supply. Mr. Kuhs stated the importance of having clarity on the relative rights and responsibilities of the parties as set forth in the Term M&I agreement. Neither the City nor the District has carte blanche. Those agreements started out as a request by this District to have municipalities with an inelastic demand purchase and set aside additional water supplies for times of shortage. He agrees it is a valuable asset to the City, but the availability of water to replace that account is subject to a condition of the agreement.

Director Zanutto commented that he is hearing that M&I customers want to be included in future water priority discussions and Staff has agreed to that. He agrees with the comments that the 5-year banking requirement is the control of the District and any excess is the customer's. He can see the landscaping priority issue from both sides, it is something to think about. He agrees with President Schultz that the District does a good job at making sure everyone has the water they need. He understands the feelings of the taxpayers and as the Ordinance stands, M&I does have the higher priority. He agrees M&I customers are impacted when they must use reserves, but he used the analogy that when you are saving money and you fall on hard times, you must pull from your savings account, and you certainly are not going to be adding funds to that savings account when you do not have the money. However, in the same instance,

when there is a good water year, the District will replenish those banking accounts just as you would later replenish your savings account.

President Schultz moved for the adoption of Ordinance 2021-1 Establishing Water Sale Priorities for 2021. Director Zanutto seconded the motion, and it was carried on the following vote: Ayes: Pack, Schultz, Zanutto; Noes: Cassil, Hall; Abstain: None; Absent: None.

It was noted that Staff will review this detailed discussion about Director Cassil's request and bring back a draft Minute Order at next month's Regular Board Meeting for review and consideration by the Board.

Item 10. Report on Discussions with City of Tehachapi Regarding Native Safe Yield and Indirect Potable Recharge Project

Mr. Neisler stated that for several years the District has worked with the City of Tehachapi in developing the City's Indirect Potable Recharge (IPR) Project. The City refers to the project as their Groundwater Sustainability Project (GSP) but to avoid confusion he will use IPR for this report. He described the project as detailed in the Staff Report. TCCWD entered a Memorandum of Understanding (MOU) with the City on May 5, 2020 outlining the agreement for the use of the District's Blackburn Dam facility. The City contracted with GSI Consultants to update the Tehachapi Basin Groundwater Model for their project. TCCWD took the opportunity to expand the scope of work with GSI to include a review of the Court mandated Native Safe Yield (NSY) of the basin (5,500 AF). The City and GHCSO partnered with the District for these additional services. The NSY has not been changed since the judgement in 1973.

Since late 2020, the City has expressed concern over the work GSI has performed on the modeling (for which the City contracted solely) and the Draft Technical Memorandum that GSI has prepared for the District, City, and GHCSO with respect to the NSY review. The District has presented the City with some staff level positions regarding the amount of treated effluent that may be available to be credited to the City as "new water" or as a supplemental supply. The City wants to maximize the benefit of the IPR project (estimated \$20 million cost) and objected to a number of these perceived constraints or findings by Staff. A meeting was scheduled for April 6th to discuss these issues and Mayor Phil Smith and President Schultz were asked to attend. At their April 5th meeting, City Council considered an item titled "Anticipated Litigation – Tehachapi-Cummings County Water District". At the April 6th meeting, the City Manager raised the topic of litigation and other actions they make take as a result of the District's position. Since that time, City staff has not provided information that was agreed upon at the meeting. There has been a significant amount of correspondence back and forth since that time.

Mr. Neisler feels it is time to involve the Board in this process. Given the threat of litigation, this report is the extent of the information he can publicly disclose. He thinks it would be helpful for the Board to establish an Ad-Hoc Committee of two Directors to work on "Tehachapi Basin Groundwater and Potential IPR Project Issues". President Schultz commented he has been looped in on many of the conversations, attended the meeting and agrees it is time to include the Board members. This could require significant time and he has taken into consideration the upcoming meetings for the other Ad-Hoc Committees so he asked Director Zanutto if he would like to be on this committee. President Schultz and Director Zanutto were appointed to serve as an Ad-Hoc Committee for this topic.

Item 11. Approve Water Storage Agreements in Brite Basin

President Schultz disclosed that he owns property that is directly impacted by these agreements, so he handed over the meeting to Vice-President Pack to facilitate, recused himself from this item, and left the building.

Mr. Neisler stated the District is striving, both with the City's IPR project and with this project, to look for and take advantage of additional or underutilized sources of water. These Brite Basin agreements are a

method to do that with water that is currently not being utilized. The basin is considered full and frequently spills during wet winters. Its geologic composition makes it difficult to extract large quantities of water for significant continuous periods. Wells are not high producing, and they take a long time to recover. Currently, very little of the Native Safe Yield (500 AF) for the basin is being utilized. In 2020, the District metered 107 AF of well extractions, of which 33 AF was for District use. The District provided 600 AF of surface imported water for irrigation use in Brite Basin and 590 AF of that was used by Grimmway Enterprises. Grimmway leases property from several landowners, one of these is President Schultz who has recused himself from this discussion.

Grimmway has proposed two agreements to capture water in Brite Basin, store this water in Jacobsen Reservoir and utilize it in lieu of imported, surface water when their irrigation demand warrants. The first agreement is known as the "Pond Agreement" and captures surface water that is otherwise lost to the basin via outflow from Chanac Creek. Approximately 20 years ago, efforts were made that improved Chanac Creek, installed a sub-surface French drain system, and a pumping and piping system to drain water from an established pond on the property and pump it back into Jacobsen Reservoir. This agreement will utilize this system and the land user will gain usable acreage through the dewatering and the District will benefit by using this underutilized source of water and reducing the demand on the imported water supply.

The second agreement is known as the "Well Agreement" and will allow the user to extract water from two wells and transmit it via pipeline into the reservoir when capacity is available. Staff anticipates that storage can typically occur for approximately 8 or 9 months out of the year. Both agreements provide the District the power to say when water can be pumped or not depending on operational needs. All the required pumping and conveyance facilities will be owned and maintained by the user until the point of disposition at the meter into the reservoir. The user benefits by being able to utilize their pumping rights under the judgment in a timely manner, given the basin extraction constraints. The District benefits by promoting the use of currently unutilized groundwater and reducing demand on the imported water supply.

All the power, maintenance and operational costs of both agreements will be the responsibility of the user. The District will install and read meters at the points of discharge into the reservoir as it does with all agreements for water supply. The agreements are modelled after the MOU with the City for use of Blackburn Dam as a recharge basin for their IPR project. He expanded that the District does not want to provide any specific benefits to any specific customer; we want to provide all customers with benefits that are generally available. The agreement with the City has a \$40.00/AF fee and thus, the Brite Basin agreements provide for a \$40.00 per gross acre foot delivered for storage in the reservoir. The District retains the right to limit water delivery based on water quality or operational concerns at all times.

These agreements represent an innovative approach to utilizing our limited water resources and are for a fixed duration. They will allow the District to gain valuable data regarding the hydraulic operation of Brite Basin and will provide benefit to the District and the user. The fiscal impact will be revenue estimated to be less than \$20,000 annually. Staff recommends approval of both agreements. Director Pack pointed out that the recommended motion states the "President" will sign the agreements and a revision was made to state "Vice-President". Mr. Neisler clarified that the attached agreements are drafted for signature by the Vice-President.

Director Hall began a discussion on past conditions of the area, Chanac Creek, and possible sources of the water in the pond. Mr. Neisler responded to his related inquiries. Director Pack asked if Mr. Neisler views these agreements as a win-win for everyone and Neisler stated he does. Director Pack inquired if similar proposals have ever been suggested in the past. Mr. Neisler stated the District has looked for many ways of dewatering that property with varying degrees of success over the years. The district

purchased a piece of property and drilled a well that came up dry. Director Zanutto verified that this process would free up the use of approximately 500 AF of surface water that can be used to meet demand. He inquired about the water flow in the area. Mr. Neisler explained Chanac Creek and the Streambed Alteration Permit the District utilizes and explained the creek is usually only active in very high precipitation years. Director Zanutto asked if the District pumped water into the reservoir from that pond in the past. Mr. Neisler confirmed they did do that in the past and that process ceased when the owner at the time wanted to utilize the water himself. Director Zanutto commented that he is not sure \$40.00/AF is the right amount to charge because this customer's situation is different from that of the City's. Mr. Kuhs stated that the source of this water has not been characterized; the pragmatic reason is that extensive testing would be required to find out. He discussed two potential outcomes, what affect those would have on the District, and propriety of the District selling the water. He feels these agreements are a practical solution in a water-short year.

Director Hall asked if there is an engineer estimate of the District's 300 AF of evaporated water from the reservoir. Mr. Neisler confirmed there is, and this is included in the calculations for the storage volume of the lake. Director Cassil was concerned whether this dewatering process will have any negative effect to the neighboring properties. Mr. Neisler answered that Jean Prel (former Director) owns the property that is north and west of the project and the District owns the property to the south. The adjacent properties will benefit from the dewatering. From a land use standpoint, Mr. Neisler thinks any impact would be positive.

Matt Vickery (Grimmway Enterprises) appreciated the District's willingness to look at this opportunity and hopes they see it as a win-win as well. It will take some significant resources on their part to make this possible, but he thinks it is what is best for land and the District. He offered to answer any questions and there were none.

Director Pack commented this seems like a complicated situation and he is not sure \$40.00/AF is the best answer, but he does not know what the best answer is. Mr. Neisler reiterated the \$40.00/AF is based on the precedent and the benefit to the District's water supply. Director Zanutto asked for the duration of the agreement and if after that time the District can change the rate if they see fit. Mr. Neisler stated the agreement expires on December 31, 2027 so about 6.5 years; it is a limited duration and there is no provision for extension so that could be done.

Director Zanutto moved to approve the two Water Storage Agreements between Tehachapi-Cummings County Water District and Grimmway Enterprises, Inc. and authorize the Vice-President and Secretary to execute the agreements. Director Cassil seconded the motion, and it was carried on the following vote: Ayes: Cassil, Hall, Pack, Zanutto; Noes: None; Abstain: None; Absent: None; Recused: Schultz

Item 12. Authorize Staff to Issue a Request for Bids for Equipment for the Fiscal Year (FY) 2020 Community Power Resiliency Allocation to Special Districts Program

Mr. Curry explained that "Fiscal Year 2020" was part of the name of the funding grant program because the applications were due in that year. This is the grant funding Mr. Neisler mentioned earlier; the District has received a check for \$300,000. Staff would like to get the units on order and are seeking authorization to request bids for the Fiscal Year 2020 Community Power Resiliency Program. This program was offered to Special Districts; 230 districts applied and 96 were selected. This RFB would cover the generators and the automatic transfer switches. The electrical installation and other improvements will be bid separately. For reference, to include the HVAC systems and lighting for the Board room, we will be moving from a 15kW single phase generator to a 50kW 3-phase generator to power those systems. Attachment A shows the Request for Bid and he described the list of equipment in Section 2 and what they will be used for. Staff is concerned that with the influx of this grant funding

stream, there may be longer lead times and increased pricing as time goes on. Attachment B contains exact locations and more information on the well and pump sizes.

President Schultz asked if this grant requires that the District open the office up during Power Shut-Off events. Mr. Curry stated they included language in the grant application that TCCWD could be opened as a community facility during an event. Director Hall inquired if the cement plant can still access District water during a power outage. Mr. Curry explained that the water they utilize is in Oak Creek Tank so if the District can get water to the tank, they can satisfy their demand. Director Hall's concern is that a large and expensive generator is planned for that area and he is wondering if the cement plant experiences a power outage as well, they could not use their facility anyway. Mr. Neisler stated there are 5 permanent customers on that line and a large amount of construction water use off that tank. In addition, the tank is critical storage for firefighting water for that whole area. The only time the cement plant uses that water is if their wells are dry and they cannot extract their own native groundwater. Director Cassil thanked Staff for all the work they have done to get this grant.

President Schultz moved that the Board authorize Staff to issue a Request for Bids to qualified vendors for the Fiscal Year (FY) 2020 Community Power Resiliency Allocation to Special Districts Generator Improvements Project. Director Hall seconded the motion, and it was carried on the following vote: Ayes: Cassil, Hall, Pack, Zanutto, Schultz; Noes: None; Abstain: None; Absent: None.

Item 13. Receive and File Director ACWA Conferences Attendance Report

Director Cassil thanked the Board for sending her on a virtual ACWA conference to Washington D.C. This conference started out with a gathering of congressmen and a senator making comments about what they wanted to happen to water developments in California in the future and they listed several things we recognize as being important. Then there were 3 sessions that were put together by congressional staff, representatives, departments, and agencies. She discussed the length of the sessions and mentioned that some speakers spoke very quickly so if you see something that might not look correct, bear in mind she was taking notes very quickly. She prepared a written report that was attached to the Staff Report. She offered to answer any questions.

President Schultz apologized for not having Mr. Neisler introduce this item and asked if he had any comments. Mr. Neisler noted that Resolution 3-11 requires a Director to report to the Board when the District sends a Director to a conference. He commented that Director Cassil's report was highly informative, and she extracted a lot of good information from the conference. Director Zanutto dittoed Mr. Neisler's comment and mentioned reading about man-made contaminates, PFAS, and that they are forever contaminates as there is no way of extracting them. He also commented how one administration starts a project, then the next administration stops the project, and it brings to mind a statement he read, "It takes us in the United States, 10 years to change the name of a dam, meanwhile China has put up 10 dams." It shows where we are in this world. President Schultz thanked Director Cassil for her extensive report.

Item 14. Adopt Resolution 03-21 – Support for Appointment of Thomas Neisler to ACWA Region 7 Board

Mr. Neisler stated he has been appointed by the ACWA Region 7 Board to serve as a Board member for the remainder of the 2020-2021 term. Eric Averett, who was the General Manager of the Rosedale-Rio Bravo Water Storage District, took a position in the private sector and therefore had to resign his position on the ACWA Region 7 Board. There was already a vacant seat on the Board, so there were now two open seats. Mr. Neisler has been encouraged for some time to be on the ACWA Board and he has resisted primarily because of the time commitment required. He felt like ending this term will allow him to provide some service and given the current state of the world, the meetings are being held virtually. The Region Board meets typically 4 times a year and two of those meetings are at the semi-annual ACWA conferences which he usually attends anyway. When Mr. Averett left, there was no KCWA representation

on that Board, so Mr. Neisler applied and was appointed. Unbeknownst to Mr. Neisler at the time, Sheridan Nicholas, the Engineer/Manager of the Wheeler Ridge Maricopa Water Storage District also applied and was appointed. This a positive development. Mr. Nicholas represents a large, agricultural landowner district and Mr. Neisler represents a smaller, mixed allocation district.

As confirmation of this appointment, ACWA requires the TCCWD Board to adopt a Resolution of support for Mr. Neisler to serve in that capacity. The proposed Resolution 3-21 is included as Attachment A. Mr. Neisler stated that if any Director has reservations or concerns about this, he will happily withdraw his application to devote his full efforts here.

Director Cassil thanked Mr. Neisler for volunteering, and she thinks this is an excellent advantage for the District to have him in this position, so she supports him taking the position. Director Hall has attended these meeting at the conferences in the past and he supports this endeavor for Mr. Neisler.

Director Hall moved to adopt Resolution 03-21, in support of Thomas Neisler to serve on the Board of ACWA Region 7. Director Pack seconded the motion, and it was carried on the following vote: Ayes: Cassil, Hall, Pack, Schultz, Zanutto; Noes: None; Abstain: None; Absent: None.

Item 15. Authorize Director Attendance at ACWA Virtual Spring Conference Attendance

Mr. Neisler stated the Board must authorize Directors to attend any conference where District funds will be expended. The ACWA Spring Conference will be held virtually. He provided the brochure as Attachment A. The cost of the conference is \$375/Director plus \$100/day for service. Because of the virtual nature, all Directors can attend. Director Hall is the District's representative to the JPIA Executive Board and the TCCWD Board has granted him the authorization to attend those meetings.

President Schultz asked each Director of their desire to attend the conference. Directors Cassil, Pack and Zanutto respectfully declined.

President Schultz moved that Directors Hall and Schultz be approved to attend the 2021 Spring Virtual ACWA Conference. Director Zanutto seconded the motion, and it was carried on the following vote: Ayes: Cassil, Hall, Pack, Schultz, Zanutto; Noes: None; Abstain: None; Absent: None.

Item 16. Schedule Ad-Hoc Committee Meetings

Mr. Neisler stated it is that time of year when our Ad-Hoc Committees must meet. He attached the committee assignments to the Staff Report. These are being scheduled in advance to give Directors notice and allow Staff time to prepare for these. The meetings were scheduled as follows:

Water Rates Committee (Hall, Cassil): May 3, 2021 at 10:00 a.m.

Budget Committee (Pack, Zanutto): May 21, 2021 at 9:00 a.m.

Tehachapi Basin Committee (Schultz, Zanutto): May 5, 2021 9:00 a.m.

Item 17. Board of Directors Comments

Director Pack thanked everyone for all their hard work.

Item 18. Adjourn to Closed Session

President to reference Closed Session items as presented on Agenda, then Board to adjourn to Closed Session.

a. Existing Litigation

b. Anticipated Litigation

The Board went into Closed Session at 5:37 p.m.

Item 19. Return to Open Session

The Board returned to Open Session at 7:35 p.m.

Report Action Taken in Closed Session:

- a. No reportable action.
- b. No reportable action.

Item 20. Adjournment

The meeting was adjourned at 7:36 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: 1 case
Name of Case: Rosedale-Rio Bravo Water Storage District et. al., v. Kern
County Water Agency et al., Kern County Sup. Ct.

2. Anticipated Litigation: _____
Gov. Code § 54956.9 (b): 1 potential case
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: _____
Unrepresented Employee: _____