

MINUTES

**TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS
October 19, 2022, 3:00 P.M.
22901 Banducci Road, Tehachapi, CA 93561**

CALIFORNIA DPH RECOMMENDS ALL PERSONS CONTINUE WEARING MASKS INDOORS IN PUBLIC SETTINGS

Item 1. Call to Order and Roll Call

Directors Present: Cassil, Pack, Schultz, Zanutto **Absent:** Hall

Legal Counsel: Robert Kuhs via Zoom

Staff in Attendance: Catherine Adams, Jon Curry, LaMinda Madenwald, Tom Neisler

Item 2. Announcement

President Schultz announced this meeting is being audio recorded, including all Board, Staff, and Public comments. Due to lack of quorum, the September 21, 2022 Regular Meeting was adjourned to this meeting. There are no carryover items to discuss.

Item 3. Flag Salute

The Pledge of Allegiance was led by President Schultz.

Item 4. Approval of Agenda

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

Item 5. Comments by any Party on Items of Interest and Within the Subject Matter Jurisdiction of the Legislative Body

Mr. Christopher Carlson, GHCSO, announced their water agency previously submitted a letter to be disseminated to the Board, and he brought hard copies in case anyone did not receive it. Mr. Neisler stated the letter was from GHCSO and the City of Tehachapi and was also signed by Mr. Joseph Hughes, their attorney. It was received the afternoon of October 17th and Mr. Neisler distributed the letter to the Board via email and they will be discussing his draft response in Closed Session today. He anticipates the response letter going out thereafter.

Mr. Don Marsh, City of Tehachapi, commented the State has issued the 2022 Urban Drought Relief Program, and it looks like a great program. There is money for projects like turf replacement and the City has been looking for opportunities like this. Unfortunately, in order to qualify, an Urban Water Management Plan (UWMP) must be in place, so until the UWMP is complete, the City cannot apply for this funding. Mr. Neisler thanked Mr. Marsh and stated TCCWD is aware of the program and requirements, and the RUWMP is the subject of the joint letter that was received, so they will be discussing this further.

Dr. Beverly Billingsley, a resident of Sand Canyon, expressed concerns about the Sand Canyon aquifer being depleted as there has been a recent sale of 300 acres at the corner of Sand Canyon and Tehachapi Boulevard and applications submitted for reclamation of Ag wells, which she believes will be used for a construction water business as reservoirs have already been constructed. She stated many Sand Canyon wells are struggling at this time and people are getting water delivered just to maintain their dwellings. She is requesting that TCCWD take steps to pursue adjudicating the Sand Canyon aquifer. She submitted a letter and supporting documentation. Mr. Neisler thanked Dr. Billingsley and stated we looked into this

issue, worked with the County and responded to her previous inquiry. The property in question (APN 224-111-16) is outside the Adjudicated Tehachapi Basin and outside TCCWD District limits so we do not have authority over it. He stated we will look at the additional information she has provided today. Ms. April Biglay, resident of Sand Canyon, submitted pictures to add to the documents Dr. Billingsley provided and stated there was slurry dumped into the Cache Creek during this project. She supports looking into adjudication and stated there needs to be stewardship of the water in the Sand Canyon area. She stated the owner of the property is Mr. Delbert Jones who is running for a seat on the TCCWD Board and she feels this would be a conflict of interest.

Mr. Jay Schlosser, City of Tehachapi, stated the letter they submitted (via email) was regarding the 2020 RUWMP contract and asked for the basis of it being delegated to Closed Session. Mr. Neisler explained his response to the letter is intimately involved with the Sage Ranch settlement discussions and the letter was addressed to Mr. Neisler, not the Board, he is choosing to take it to the Board. Mr. Kuhs, TCCWD Legal Counsel, agreed with this being a Closed Session matter.

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 Special Board Meeting of September 16, 2022 and Minutes of the Regular Board Meeting of September 21, 2022
- b. Approve Financial Report and Payment of Bills

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

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

Item 7. General Manager's Report

Mr. Neisler reported on the following:

- With the Board's support and funding, the District has embarked on a vigorous Capital Improvement Plan over the last couple of years. His report pictures the Co-Gen facility in Stallion Springs with a new roof to replace the previous wood shingles and the next phase in this project will be to install stucco siding on the exterior. This year all of our Pump Plants were painted.
- He presented a chart showing water conservation since July 2021. Governor Newsom requested 15% voluntary water reductions. In summary, the cumulative savings since that time have been 4.7% and he described the details of the chart.
- The 2022 water year ended on September 30 with statewide precipitation at 17.9", 76% of average. Here at the office, we recorded 8.91". While these numbers do not sound that bad, there were three major factors contributing to this low allocation year; reservoir levels were low, more rain than snow, and parched tributaries.
- DWR released the Draft EIR for the Delta Conveyance Project in late July. The public review period has been extended to December 16, 2022. We continue to work with KCWA and SWC to submit a consolidated list of comments.

-Brite Lake continues to decrease and this is in accordance with our projections, and we will get through the season with adequate supplies in the lake. We have been able to keep our extraction wells offline and still meet our demands.

-He attended the ACWA Region 6 & 7 event in Visalia with Director Zanutto. It was a very good event, and Director Zanutto will be providing a report during Board Comments. Mr. Neisler was invited to speak to the Rotary Club on October 6th to discuss our current water situation.

-He reviewed the charts attached to the Staff Report. Lake Oroville is at 34% of capacity and 64% of historical average. San Luis Reservoir is at 27% of capacity and 62% of historical average.

He offered to answer any questions the Board or Public may have and there were none.

Item 8. Operation Manager's Report

Mr. Curry reported on the following:

-On September 1, representatives from USDA-NRCS performed the annual inspection of the Blackburn and Antelope Dam facilities. They also inspected the respective drainage channel network for those dams as well as the Dennison Drainage Channel that is managed by the City Public Works Department. The representatives were pleased with the maintenance that had been done and the condition of all the facilities.

-The JC Jacobsen Reservoir Fencing Repair Project is nearing completion and a punch list has been relayed to the contractor who has been great to work with. We are also working on the electrical design for the CalOES project to install the two stationary generators.

-All four of the District's extraction wells are shut down, along with the City's Snyder Well. Brite Lake data from October 14, 2022 was elevation 4348.1', volume 784.6 AF, and level 22.1'.

-The Pumping Systems and Pipeline Staff have been working on many maintenance tasks and projects as outlined in the Staff Report.

-DWR-DSOD staff will be coming out in November to witness the operation of the slide gate valve and the emergency valve at JC Jacobsen Reservoir.

-Staff is working with SCE on an Energy Load Reduction Program (ELRP) and this will provide a bill credit of \$2.00/kWh of incremental load reduction when they call an event. This is a voluntary program and we will participate if operational conditions are favorable.

Director Zanutto asked if it would be possible to see the results of the well soundings the Pipeline Staff conducted, and Mr. Curry stated he's sure Mr. Neisler would be happy to share the hydrographs with him after they are prepared.

Mr. Neisler shared a solicitation they received for an International electric truck. You can purchase up to a 321 kWh battery and the lowest range battery will provide 135 miles of operating range, however this will most likely be less when trying to tow something up this mountain. He provided more details on the features and explained vehicles such as this are what the State is saying we need to rely on for our operations. This vehicle costs \$285,000 for the 135 mile range option. There is an \$85,000 grant available, but in short, we would be paying \$200,000 for a truck that does the work of our current \$60,000 pickup truck. We also received a solicitation for an electric, Ford F-450 truck and there is no 4-wheel drive option available. The cost is approximately \$220,000 with an 8-12 month lead time. President Schultz asked if the conversion deadline is still in 2024 and Mr. Neisler confirmed it is, however, he does not think that is a realistic deadline.

President Schultz inquired about the asphalt patching on the JC Jacobsen Reservoir road and if there is more planned in the Capital Improvement Plan. Mr. Curry explained there is a small CIP item for these repairs, usually between \$15,000-\$20,000 per year, and there is a maintenance fund for JC Jacobsen Reservoir so the type of project will dictate where the funds come from. President Schultz was concerned about broken pieces of asphalt and gravel on the road that can cause hazards for bicyclists and Mr. Curry

stated they have spoken to contractors about different options and treatments and maybe this is something that can be put on a later CIP Budget.

Item 9. Approve Term M&I Agreement with West Tehachapi Mutual Water Company

Mr. Neisler stated that West Tehachapi Mutual Water Company (WTMWC) was formed in 1964 and lies west of the Albertson's Center and north of Valley Blvd. They own and maintain a well that services 36 connections in this area. They own 13 AF of Base Water Rights in Tehachapi Basin which equates to 8.667 AF of Allowed Pumping Allocation. Their five-year average usage has been 24.399 AFY. Chris Payne, the new President, submitted photos of the improvements they have made to their facilities, and they are attached to the Staff Report. He came to our District after unsuccessful efforts to annex to the City of Tehachapi or GHCS and historically, TCCWD has sold them water to cover their shortfalls. Over the years, Staff has requested they annex to a public water agency or enter into a Term M&I Agreement with our District, and they are now requesting a Term M&I Agreement. He explained this is a similar situation to the Term M&I Agreement the Board approved with Cal Water for the Grand Oaks area. Staff has met with Mr. Payne and discussed the agreement, he has taken it to his Board, and they have signed the agreement. This item is for TCCWD Board approval of the agreement. He pointed out that this agreement will also require WTMWC start a Banked Water Reserve Account and set aside a 5-year supply of water. Staff recommends the Board authorize the President to sign the agreement.

Director Zanutto asked details about WTMWC usage and Mr. Neisler commented they have taken steps to reduce their usage by fixing leaks, talking to residents about reducing usage, etc., and their YTD amounts show a reduction.

Director Zanutto moved that the Term M&I Agreement between TCCWD and West Tehachapi Mutual Water Company be approved, and the Board President and Secretary be authorized to execute the Agreement. President Schultz seconded the motion, and it was carried on the following vote: Ayes: Cassil, Pack, Schultz, Zanutto; Noes: None; Abstain: None; Absent: Hall. Motion passed.

Item 10. Adopt Resolution 12-22 Amending Salary Schedule for Authorized Positions to Revise Salary Range for Operations Assistant Position

Mr. Neisler stated we have an opening in the Operations Assistant position. He stated his goal when hiring entry level candidates is to look towards their future growth in the organization. The first candidate was promoted to another position and the second candidate was not as successful and has moved on. This position has been offered at Range 25, Step A which pays \$16.70/hour and Staff feels this is not sufficient to attract the candidates we hope for in this position. In the current economy, fast food restaurants are paying more than that. He is proposing to increase the salary range for this position to Range 48 which starts at \$20.98/hour. Changing the Authorized Position's List requires Board approval and the fiscal impact of this change will be an increase of approximately \$17,000/year and this will not require any changes to the approved Budget. He has prepared draft Resolution 12-22 Amending Salary Schedule for Authorized Positions to Revise Salary Range for Operations Assistant Position and he recommends Board approval.

President Schultz asked what qualifications are needed for this position. Mr. Neisler answered a High School Diploma or GED, valid Class C Driver's License with a clean record and pass pre-employment drug screen and physical. President Schultz asked if he would consider this position a steppingstone towards other positions within the District and Mr. Neisler stated absolutely and that is the goal for this position.

President Schultz moved that the Board adopt Resolution 12-22 Amending the Salary Schedule for Authorized Positions to increase the salary range for the Operations Assistant position from Range 25 to

Range 48. Director Zanutto seconded the motion, and it was carried on the following vote: Ayes: Cassil, Schultz, Zanutto; Noes: Pack; Abstain: None; Absent: Hall. Motion passed.

Item 11. Adopt Resolution 13-22, Appointing General Manager as Special Trustee for Administration of Remaining Prudential Accounts

Mr. Neisler stated that prior to enrolling in the CalPERS Retirement System in 2004, the District was enrolled in Prudential Insurance Company Retirement Plan beginning in 1970. This plan had a life insurance component that members were able to continue at their own expense after the liquidation of the plan and the District received notice that a previous employee is deceased and his estate is attempting to collect insurance proceeds from his policy. He did not have appropriate beneficiary forms filed with Prudential so Prudential is looking to our District as Plan Administrator, to distribute the funds. In the past, the District has appointed a Special Trustee to handle issues that have come up and it was always the then current General Manager. We have engaged LeBeau Thelen, District Counsel, to prepare a Waiver of Interest in the proceeds from this insurance policy and assign the proceeds to the executor of the estate. The attorney recommends appointing the current General Manager as the Special Trustee to carry this out.

Director Cassil asked what the potential is for something like this to arise again. Mr. Neisler responded it is unknown, the District carried the policy until the mid-1990s and once he has the authority to communicate with Prudential on these matters, he should be able to obtain more information.

President Schultz moved that the Board adopt Resolution 13-22 Appointing General Manager Thomas P. Neisler as Special Trustee for Administration of Remaining Prudential Accounts. Director Zanutto seconded the motion, and it was carried on the following vote: Ayes: Cassil, Pack, Schultz, Zanutto; Noes: None; Abstain: None; Absent: Hall. Motion passed.

Item 12. Reschedule December Regular Board Meeting

Mr. Neisler stated the December Board meeting falls late in the month on the 21st which falls close to the Christmas holiday and schools will already be out of session that week. This request is to reschedule the December Regular Board meeting from the 21st to the 14th. Under Water Code Section 30521(a), rescheduling must be approved at a Regular Board Meeting.

Director Pack stated that since he will be leaving, he is more interested if the potential candidates would be alright with the date change and asked those in the audience. Of those in attendance, there was no conflict.

President Schultz moved that the December Regular Board meeting be rescheduled from December 21 to December 14, 2022. Director Zanutto seconded the motion, and it was carried on the following vote: Ayes: Cassil, Pack, Schultz, Zanutto; Noes: None; Abstain: None; Absent: Hall. Motion passed.

Item 13. Board of Directors Comments

Director Zanutto shared information on the ACWA Region 6 & 7 Event in Visalia. He stated they were able to tour 4 different facilities. The Tulare Irrigation District purchased a property from a failed housing development and are having it mined for aggregate and using the proceeds to pay for a new water storage facility that can be used for recharge and flood control. Porterville Irrigation District has built a recharge area which recharges water at two different depths to offset the sinking basins in that area. The Lake Success Reservoir Enlargement Project is raising the spillway 10 feet which will increase the volume of the dam. They visited the Friant Canal Middle Reach Project where the canal has subsided and the flow of the water has been reduced by 60% so they are constructing a new canal right next to the old one in this section. On the second day, the program included perspectives from the Capital and what they are working on. Scott Hamilton presented on the problems we have at the Delta and the water resilience

projects. ACWA Executive Director, Dave Eggerton, spoke about ACWA helping water districts, their plans moving forward, and he thanked Mr. Neisler for his leadership in Region 7 and Mr. Neisler took over the second half of the meeting. Director Zanutto stated we are very fortunate to have Mr. Neisler there as a voice for us and he does a great job of networking with other Districts. To close he thanked Ms. Adams for the very thorough account of the meetings she portrays in the Minutes.

Director Cassil addressed the October 17th letter (from the City and GHCSO) and requested that the District General Manager expedite the completion of Region Urban Water Management Plan. She pointed out that the first sentence of the letter states it is addressing the status of the District's management and personnel matters take place in Closed Session.

Item 14. Adjourn to Closed Session

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

- a. In Accordance with Exhibit A Attached hereto, TCCWD v. City of Tehachapi, *Et al.*
- b. In Accordance with Exhibit B Attached hereto, DWR v. All Persons Interested in Authorization of WaterFix Revenue Bonds, et al; All Persons interested in the Matter of the Authorization of Delta Program Revenue Bonds, et al.
- c. In Accordance with Exhibit C Attached hereto, Rosedale-Rio Bravo WSD *Et al.* v. Kern County Water Agency *Et al.*

The Board went into Closed Session at 4:09 p.m.

Item 15. Return to Open Session

The Board returned to Open Session at 5:23 p.m.

Report Action Taken in Closed Session:

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

Item 16. Adjournment

The meeting was adjourned at 5:24 p.m. on a motion made by Director Pack, seconded by Director Cassil, and carried on the following vote: Ayes: Cassil, Pack, Schultz, Zanutto; Noes: None; Abstain: None; Absent: Hall. Motion passed.



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: KCSC No. BCV-21-102184 KCT
Name of Case: TCCWD v. City of Tehachapi *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: _____
Unrepresented Employee: _____



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: Two Cases
Names of Cases: DWR v. All Persons Interested in Authorization of WaterFix Revenue Bonds, et al.; DWR v. All Persons Interested In The Matter of the Authorization of Delta Program Revenue Bonds, 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: _____



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: KCSC No. BCV 21100418 TSC
Name of Case: Rosedale-Rio Bravo WSD *Et al.* v. Kern County Water Agency
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: _____
Unrepresented Employee: _____