

MINUTES

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS
June 15, 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, Hall, Pack, Zanutto **Absent:** Schultz

Legal Counsel: Robert Kuhs

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

Item 2. Announcement

Vice 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 led by Director Hall.

Item 4. Approval of Agenda

Mr. Neisler requested that Item 16 be removed from today's agenda and tabled until a future agenda. He stated the Water Supply and Demand presentation is ready, however it is not a time sensitive document, and he would prefer to present it in front of the full Board, as well as the City's technical representative, who he found out this morning, will not be in attendance today.

Director Zanutto asked the Public how many were here specifically to hear the presentation of Item 16. Director Cassil was concerned that this item is on the agenda, and the Public came to hear the information, so she would like to hear it presented.

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

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

Vice President Pack noted a letter was received from the City of Tehachapi and Golden Hills Community Services District dated June 8, 2022 that was included in the Board Package. There were no other comments received prior to the Board meeting.

Director Zanutto commented he appreciated receiving the letter in advance as it is very difficult to review those when they are presented before a meeting. He commented on the issue of an Ad-Hoc Committee versus a Standing Committee and stated it has been discussed, an Ad-Hoc Committee has been established, and he feels we can move forward now and make some progress. He stated we are all better than this, and it's time to move on and start addressing the concerns.

Mr. Joe Hughes, Attorney for COT and GHCSO, appreciated Director Zanutto's comments and understands the Board's desire to proceed with an Ad-Hoc Committee so he added that now, it is what the Board does with it from here. Their underlying concern is transparency and participation. Ms. Susan Wells, GHCSO, stated she agrees with Mr. Hughes, and reiterated that the Board requested written comments, they

provided theirs stating how they feel the water should be prioritized, so she hopes the Board will include them in the discussions when they have Ad-Hoc Committee meetings, and then respond to them now that they have given a formal proposal.

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 May 18, 2022
- b. Approve Financial Report and Payment of Bills
- c. Receive and File Actuarial Report for Other Post-Employment Benefits (Retiree Medical)

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

Item 7. General Manager's Report

Mr. Neisler reported on the following:

- The annual Pump Plant Tour was a great event with eleven guests this year.
- The Table A Allocation remains at 5%. Reports from the State on water conservation remain pessimistic. There is a State mandate restricting irrigation for commercial and industrial properties. These properties have yet to be defined; it is unknown if this means schools, parks, medians, etc. The Office of Administrative Law needs to rule on these emergency regulations put in place by the Governor. Once this is done, the District plans to send a letter to our commercial customers who are impacted.
- The SWRCB has implemented water right curtailments for the second year in a row. Those are rights to extract water from certain watersheds, primarily rivers. These do not directly impact our District. He brings this up because the SWRCB is looking at significant revisions to water rights in California.
- The Delta Conveyance Project continues to move forward, however the EIR delivery date of June has been moved to July.
- The second payment for the 2022 SWP Statement of Charges was just approved on the Consent Calendar, so 2022 participation is paid in full. It includes the previously approved, DCP contributions.
- He advised all customers of a supplemental water purchase opportunity and there is an item on the agenda today for a request we received. This is the third opportunity for supplemental water we have presented this year, and this is the first request received.
- He recognized the efforts of Staff working extremely hard in extraordinary circumstances. Other public agencies are doing the same thing as all of us are striving to serve our customers. Our team has done a great job; we're staying on top of leaks and getting them fixed quickly, looking at ways to reduce mileage as fuel prices increase, etc.
- The Annual Safety Picnic is scheduled for next Friday, June 24th at Brite Lake Pavilion.
- He announced the promotion of Mr. Jon Curry into the position of Assistant General Manager of Operations. He has provided the District with invaluable support, we are very happy he is here, and is a big part of our succession planning process.
- He offered to answer any questions.

Vice President Pack asked if he was able to hire any Summer Interns yet. Mr. Neisler stated they are in the process of onboarding two interns now. Director Zanutto congratulated Mr. Curry on his promotion and said it is well deserved.

Item 8. Operation Manager's Report

Mr. Curry reported on the following:

- On Wednesday June 8, TCCWD staff participated in the Earth Day Cleanup at the Antelope Run Drainage Channel. It was a great, upbeat event with about 25 volunteers, everyone worked hard, and a lot of trash was collected. He thanked Mr. Key Budge, City of Tehachapi, for coordinating this event.
- The new replacement emergency generator for Pump Plant 1 has been received and will replace the current unit that was installed in 2001. This was part of the 2021-22 CIP and it took almost 40 weeks to receive this generator.
- On May 24, he and the Pipeline Supervisor met with DWR-Division of Safety of Dams (DSOD) for the annual inspection of JC Jacobsen, Antelope, and Blackburn Dams. There were a lot of positive comments from the inspector and the only inspection that couldn't be done was the shutdown of the inlet/outlet because we are currently pumping the wells so that will be done at a later date.
- Construction of the Storage Canopy Project is complete and there are a few small cleanup items for the contractor to finish. So once those are complete, he expects to bring this back to the Board for approval of a Certification of Completion.
- All four of the District's Tehachapi Basin wells are running as well as the City's Snyder Well. Brite Lake data from June 9, 2022 was elevation 4358.5', volume 1420.9 AF, and level 32.5'.
- Pumping Systems Staff continues to work on extended off season maintenance activities and the Pump Plants are looking great. There were a lot of positive comments from the Pump Plant Tour.
- There was a radio failure on the "ridge" located at CCI, so they changed out the network radio as it is part of the District's SCADA network that monitors/controls system operations.
- Pipeline Staff has been working on numerous projects including well meter installs, turnout and leak repairs, oil drum platform fabrication, reinstallation of Nunes well motor, and replacement of broken valves on the water truck.
- DWR-DSOD made changes to the data format used for annual surveillance reports for JC Jacobsen Dam, so Staff is currently collecting and formatting the data per the request. Once completed the data will be reviewed and submitted for approval.
- He offered to answer any questions.

Mr. Budge, City of Tehachapi, commented it was a pleasure to work in collaboration with Mr. Curry and his team on the cleanup project. We had great communication and fantastic results.

Item 9. Approve Fiscal Year 2022-23 Cost-of-Living Adjustment for all Employees

Mr. Neisler stated that last year the Board granted a 3% Cost-of-Living Adjustment (COLA) effective July 5th, 2021. The Board's practice has historically been to consider the annual COLA in conjunction with the adoption of the upcoming budget. The April Consumer Price Index-W (West – Size Class B/C, Urban Water Earners and Clerical Workers) is included as Attachment A, and is used as the basis for these discussions. This is typically the most current data available at the time of drafting the budget. Attachment B is a historical summary of approved COLAs since 2016 with respect to the CPI. The 12-month change is calculated at 9.3%. At the Ad-Hoc Budget Committee meeting on May 27, 2022, the Committee and Executive Staff extensively discussed this information and agreed that a 9% increase was not realistic. The Consumer Price Indexes are simply a baseline, and the Board considers other factors as well. That being said, for the purposes of preparing this preliminary budget, a 10% increase was used

across the board to account for inflation. After discussions, the Committee and Staff felt comfortable recommending a 6% COLA increase.

Vice President Pack commented that he knows these are unfortunate and unusual times, but he feels 6% is too high at this time. Director Cassil commented with the price of fuel, she feels a 6% increase is the least we can give our employees and makes sense to her at this point. She hopes that next year the rates will have gone down, and they will be considering a much lower increase.

Director Zanutto moved that the Board approve a 6% Cost-of-Living Allowance increase for all employees and incorporate same into the updated Salary Schedule, effective July 4, 2022. Director Cassil seconded the motion, and it was carried on the following vote: Ayes: Cassil, Hall, Zanutto; Noes: Pack; Abstain: None; Absent: Schultz. Motion passed.

Item 10. Adopt Resolution 03-22 Amending the District's "Salary Schedule for Authorized Positions"

Mr. Neisler stated that based on the COLA recommendation from the committee, he drafted this Salary Schedule according to a 6% COLA increase. This schedule contains an Authorized Positions list and he is proposing two revisions to it. The first revision is to increase the starting salary range for Temporary Hourly Employees from range 14 to range 15 to meet California Minimum Wage requirements. The next revision is to reopen the Assistant General Manager – Operations position at salary range 151 as it was previously and mark the Operations Manager position as Vacant. He has promoted Mr. Curry to AGM where he will still handle the duties of the Operations Manager as well as take on additional duties. The proposed resolution for these changes is attached.

Vice President Pack asked how long Mr. Curry has been the Operations Manager. Mr. Neisler responded since his hiring in November 2019. Vice President Pack commented that he would like to see Mr. Curry stay the Operations Manager a little longer. Director Cassil commented that Mr. Curry has done a great job and deserves this promotion and increase in salary.

Director Hall moved that the Board adopt Resolution 03-22, amending the District's Salary Schedule for Authorized Positions, subject to any revision to the included 6.0% COLA. Director Cassil seconded the motion, and it was carried on the following vote: Ayes: Cassil, Hall, Zanutto; Noes: Pack; Abstain: None; Absent: Schultz. Motion passed.

Item 11. Adopt Resolution 04-22 Approving the Fiscal Year 2022-23 Preliminary Budget, Investment Policy, Appropriations Limit and Reserves Policy

Ms. Madenwald stated this item is to approve the Preliminary Budget for FY 2022-23. These numbers will be adjusted based on additional information we receive between now and August. Then the Final Budget will be brought before the Board at the August RBM. The Preliminary Budget is forecasting a \$316 amount for revenues over expenses in the General Operating Budget, and expenses greater than revenue overall by \$1,256,834. This number is primarily the result of there being an excess in the State Water Payment Reserves balance that will be returned to taxpayers through setting a reduced tax rate. The primary assumptions are described in the Staff Report. She offered to answer any questions and there were none.

Mr. Curry reviewed the Capital Expenditures Budget for FY 2022-23 (page 2-8 of Budget document). He provided details of projects scheduled for Administration, Pipeline, and Pumping Departments. Director Zanutto stated there are a number of things he looks at when determining how the District is doing; how we do on the audit, do we have a balanced budget, when capital projects are funded, are they being completed? Of these 24 projects listed, there are only 3 that are carry over and that's probably because we are waiting on materials. He commended Staff for getting things done and doing a great job.

Ms. Madenwald explained that with reviewing this Preliminary Budget, the Board also reviews the Reserves Policy, forecast reserves from the previous years, whether targets have been met, and sets targets for next year. This Budget calls for transfers from the general fund to several of the designated reserve funds and those transfers are detailed in a Resolution in the next agenda item. Overall, the fiscal impact of the Preliminary Budget is \$316 to general fund reserves and approval of Resolution 04-22 will approve the Preliminary Budget.

Director Zanutto asked if some of the transfers to the general fund reserves are due to using funds to pay down CalPERS and Ms. Madenwald confirmed that a significant portion are replacing those funds. Director Zanutto felt this is outstanding that we are already putting money back in those funds. Mr. Neisler noted that the remainder of the CalPERS Unfunded Pension Liability will be paid off with this Budget as well.

Director Zanutto moved for adoption of Resolution 04-22 approving the FY 2022-23 Preliminary Budget, Appropriations Limit, Investment Policy, and Reserves Policy. Director Hall seconded the motion, and it was carried on the following vote: Ayes: Cassil, Hall, Pack, Zanutto; Noes: None; Abstain: None; Absent: Schultz. Motion passed.

Item 12. Adopt Resolution 05-22 Transferring Funds From the General Fund to Certain Reserve Funds

Ms. Madenwald stated that this Resolution 05-22 will accomplish the Board approving the transfers that were called for in the updated Reserves Policy that is included in the Preliminary Budget. With this Resolution, the Treasurer will be authorized to transfer funds and complete the funding of certain reserve accounts per the FY 2022-23 Preliminary Budget. She reviewed the transfers as detailed in the Staff Report.

Vice President Pack moved for adoption of Resolution 05-22 transferring funds. Director Hall seconded the motion, and it was carried on the following vote: Ayes: Cassil, Hall, Pack, Zanutto; Noes: None; Abstain: None; Absent: Schultz. Motion passed.

Item 13. Adopt Resolution 06-22 Setting Water Rates for 2022

Ms. Madenwald stated this item is for the adoption of Resolution 06-22 which will set the water rates for 2022. The overall recommendation is to keep the current rates in place. The Staff Report contains attachments showing how the calculations were made. The rate is primarily driven by the price of natural gas and she described that an analytics method is used to review the rates each year. The calculation yielded a 5-year average cost of \$1,361/AF with the actual cost for FY 2020-21 being \$1,761/AF. When you take into consideration that we only sold 164 AF of water at this rate last year, the cost of a Prop. 218 protest hearing to increase the rate would no be cost effective. Ad-Hoc Water Rate Committee member, Director Cassil, mentioned that after looking at the process of a Prop. 218 hearing, it was clear it would not be beneficial in the long run. Mr. Neisler commented that the water rates have not increased for the past 8 years, however he does anticipate a more robust discussion next year because natural gas prices continue to rise, the spot rate today is \$9.25/mmbtu. Currently he has gas purchased through 2024 at a much lower rate.

Ms. Madenwald added that the District website has been upgraded and Staff is working on an Online Bill Pay feature so customers will have the option to pay their bill online at their convenience.

Director Cassil moved that the Board adopt Resolution 06-22 Setting Water Rates for 2022. Director Hall seconded the motion, and it was carried on the following vote: Ayes: Cassil, Hall, Pack, Zanutto; Noes: None; Abstain: None; Absent: Schultz. Motion passed.

Item 14. Authorize Staff to Issue a Request for Bids for Jacobsen Reservoir Fence Repair Project

Mr. Curry stated this item is to authorize Staff to issue a request for bids for the JC Jacobsen Reservoir Fence Repair Project. This project will include the repair and/or replacement of the existing barbed wire fencing located around the perimeter of JC Jacobsen Reservoir. The current fencing is approximately 12,500 linear feet of 4 and 5 strand barbed wire with many sections that need repair or replacement. Staff has performed a condition assessment of the fencing and set five categories of repair/replacement and he reviewed those as detailed in the Staff Report. There are two alternate bids associated with the project at the request of the customer whose property is to the north of this fencing. Alternate A would include installing approximately 3,552 LF of 72" woven fence (customer to pay the difference in material and labor costs) and Alternate B includes installing approximately 3,152 LF of 96" high "Game Fencing" (customer to supply materials to contractor). This would only be if the customer agrees to these costs, otherwise the project will be completed using barbed wire fencing.

This is a Capital Improvements Project being carried over from FY 2021-22 and is in this year's budget for \$100,000. He reviewed the attachments and what will be sent to contractors to bid. Mr. Neisler commented that Mr. Curry and his team prepared this entire package in house. The Board authorized the purchase of GPS equipment several years ago that was utilized to capture this data and prepare these documents. All the data was captured by the GIS Technician, and he prepared the tables. This is a significant cost savings to the project, and he wanted to commend Mr. Curry and his team for their work and thanked the Board for taking positive actions to allow Staff the resources to make things happen.

Director Zanutto inquired about why the woven wire and game fencing options are included. Mr. Curry explained that these options were a request by the adjoining property customer who, depending on the price, would be willing to pay the increase in cost to have one of these alternate fence options used in place of the barbed wire. If not, the District would just be considering the bids for replacing the fencing with like-kind barbed wire. For full disclosure purposes, the adjoining property owner is Schultz Enterprises, Inc.

Director Cassil commented that she sees this project not just as an engineering project, but as a safety project to keep people, especially unsupervised children, away from the lake.

Vice President Pack moved that the Board authorize Staff to issue a Request for Bids for JC Jacobsen Reservoir Fence Repair Project. Director Hall seconded the motion, and it was carried on the following vote: Ayes: Cassil, Hall, Pack, Zanutto; Noes: None; Abstain: None; Absent: Schultz. Motion passed.

Item 15. Authorize Staff to Pursue Purchase of Supplemental Water Supply on Behalf of TCCWD Customer

Mr. Neisler stated as previously mentioned, the District has been presented with another opportunity to purchase supplemental water in 2022. As a Member Unit of KCWA, we were offered the opportunity to purchase some or all of 5,000 AF of previously banked, surplus Kern River water. The seller, ID4, is under contract to purchase that water when it's available. They have offered this wet water, in the aqueduct, at a cost of \$1,500/AF. Our typical cost for wet water at this location is about \$250/AF. We sent a letter to all our customers with the option to purchase some of this surplus water and the deadline to respond was June 10th. We had one customer request 45 AF of water and to deliver water to their location, the cost will be \$1,686.00/AF. Mr. Neisler indicated our interest in purchasing 45 AF of water to the seller who replied back this week with a confirmation. This item is asking the Board to authorize the purchase of that water and have our attorney prepare a contract for the customer to purchase that quantity from the District. The District will front the cost of the water to the Agency and then recoup that from the customer. This is done with no mark up, the District is simply providing a service to our customer and gaining knowledge of the process as these opportunities will likely present themselves in the future.

He noted that this may seem like a high price for water, however, the going rate in the San Joaquin Valley for 2022 is about \$2,000/AF and every drop that comes up is spoken for. He recalled the \$800/AF dry-year transfer program water that made 50,000 AF of water available and we offered it to our customers and there were no takers so we did not participate. All of that 50,000 AF of water was sold at a cost, north of the Delta, for \$1,225.00/AF. When you consider 35% carriage losses through the Delta, and pumping costs through the aqueduct, it is around \$2,000.00/AF by the time you take it off the aqueduct. He offered to answer any questions and there were none.

Director Hall moved that the Board authorize Staff to pursue purchase of 45 AF of supplemental water and to prepare contract for sale of same to customer requesting this supply at a rate of \$1686.00/AF. Director Cassil seconded the motion, and it was carried on the following vote: Ayes: Cassil, Hall, Pack, Zanutto; Noes: None; Abstain: None; Absent: Schultz. Motion passed.

Item 16. Presentation on Water Supply and Demand

Mr. Neisler stated that back in March, Mr. Jay Schlosser of the City of Tehachapi made a presentation to the Board explaining the City's position on the TCCWD water supply and demand issues. We did not know until late today that he would not be here. Prior to Mr. Schlosser's presentation, President Schultz read a statement informing the public that the Board would not be able to respond to the presentation due to the ongoing Sage Ranch litigation. His statement indicated that TCCWD would provide a response at the appropriate time. This presentation is intended for information only and no action is requested or anticipated by the Board. He noted there are a number of charts included that are not intended to be definitive; charts indicating future projections/demands are estimates.

He began the presentation of the slides which are included in the Staff Report. He briefly discussed the District's history and responsibilities of managing imported surface water, operating and maintaining flood control structures, and managing three adjudicated groundwater basins as the Court-appointed Watermaster. The groundwater Native Sustainable Yield (NSY) for each basin is as follows: Tehachapi Basin (TB) 5,500 AFY, Cummings Basin (CB) 2,990 AFY, and Brite Basin (BB) 500 AFY. Extraction rights are different in each basin; TB has prescribed rights with a physical solution, CB has correlative overlying rights with a physical solution, and BB has prescribed rights with no physical solution. For surface water, TCCWD entered into two contracts with Kern County Water Agency (KCWA) in 1966 for State Water Project (SWP) water entitlement. One for Municipal & Industrial (M&I) for 15,000 AFY and one for Agricultural (Ag) for 4,300 AFY for a total of 19,300 AFY. In 1994, the two contracts were amended by the Monterey Amendments removing the separation of M&I water and Ag water giving the District a firm entitlement of 19,300 AFY for M&I and Ag combined. The physical limitation of the District's pumping system is 10,000 AFY. DWR grants the District an allocation annually based on a percentage of our entitlement. This year the allocation is 5% of 19,300 AF or 965 AF of water. This allocation varies and can be changed by DWR at any time but generally by April or May, they no longer make adjustments to it.

In years when there is not adequate surface supply, the Board implements an Ordinance establishing water sale priorities. He presented a Historical SWP Water Allocations chart and discussed the allocations, the actual water pumped, and averages. He reviewed a supply and demand chart covering the last 10 years and noted that the District has been able to deliver more water than it imports by managing its groundwater supplies and recharge is maximized in years when imported supplies are available. The District has water customers who have entitled development within their purview, so he prepared a chart of Buildout Water Supplies Scope and discussed the future demand based on developments on the books. The chart is not intended to indicate that every one of these lots will be built. There are two methods he feels can be used to manage ongoing growth and those are Term M&I Agreements and the Regional Urban Water Management Plan. In conjunction, these can be used to develop long-term processes and goals. On an annual management basis, the Water Sales Priority

Ordinance needs to be used. From a Staff perspective, we have every desire to engage in discussions with our agency partners to come up with a reasonable, rational plan moving forward.

The Delta Conveyance Project (DCP), for this District, is not intended to be a source of additional water because it will not provide that water in the years when we need more water. What it does provide is increased resiliency for the long-term, projected allocation from the State Water Project. The District has committed to another two years of planning on that project and those funds come out of the Ad-Valorem Taxes.

Mr. Ted Wyman commented on the original functions of the District, the design of the flood control facilities, and shared history on the watershed in the local areas. He also brought up concerns about the State forcing new multi-dwelling rules on Kern County. Mr. Neisler appreciated his comments and stated he will look back at some of the original documents Mr. Wyman mentioned regarding watershed. As for the State regulations affecting Kern County, those areas are defined and none of those are within our District; it does not have an impact on our public agency customers. The Accessory Dwelling Unit (ADU) regulations the State has implemented, very well could have an impact on future development.

Ms. Claudia Elliot inquired about the Mountain Meadow area and the wells being drilled. Mr. Neisler explained that if the owner of a property that falls within the Adjudicated Tehachapi Basin wants to drill a well, but does not own water rights, they enter into a Water Supply Agreement in which they pay the District to recharge the amount of water they pump as well as a banked supply on their behalf.

Ms. Wells submitted written comments to the Board Secretary for distribution to the Board members and stated she is glad to hear Staff is interested in discussing long-term development. She made comments on the definition of a current customer versus an existing customer, she disagrees with the statement that M&I users demand has been met as GHCSO cannot take direct delivery, and she and Mr. Neisler discussed the taxation process as it relates to these issues. Director Hall commented on freedom and land speculation as it relates to water use. Mr. Neisler commented he can have a discussion with Ms. Wells outside of this meeting to further discuss these topics.

Mr. Corey Costelloe, City of Tehachapi, commented on some frustrations they've had with the workshop process, the timeliness of this presentation, and the formation of the Ad-Hoc Committee. They are looking for the Board to take action on giving direction to start the process of developing a long-term plan. Director Cassil brought up making efforts to move the RUWMP process along and commented on the county taxes collected and how those are distributed. Vice President Pack commented on the request for Board action and stated that a committee has been formed to address this issue and although some people may not agree with the actions the Board has taken, they have made decisions. Ms. Marilyn White, GHCSO Board, commented that if the Board could decide on a date and time for an Ad-Hoc Committee meeting, that would relieve some of the uncertainty in the room. Vice President Pack mentioned that without President Schultz in attendance, a meeting cannot be scheduled as we do not know his availability. Director Zanutto added that he feels this Ad-Hoc Committee can be structured to where everyone can be involved in it. Director Hall suggested scheduling Special Board meetings to involve all Directors and Public in these discussions. Director Zanutto feels that committees allow for in-depth discussions and working through issues on topics as there is no full agenda like in a Board meeting and allow for gathering of information and reporting back to the Board.

Mr. Hughes commented that this is not an Ag versus M&I issue, it is the fact that there is this finite supply, and how can we all make it work together. He mentioned as Director Zanutto has said in the past, everyone needs to get around a table to discuss and it is understood that not everyone is going to get what they want. He feels this (Board meeting) is not the forum to have a productive discussion on this topic. Director Cassil revisited the topic of the RUWMP as it relates to some of these issues and

discussions and inquired about the delays in the timeline. Mr. Kuhs, TCCWD Legal Counsel, explained that the initial delays came from lack of reliable data from the City on how many developed and undeveloped lots they have. As you'll recall, Mr. Schlosser just recently brought that information to the Board. Since that time, Mr. Neisler has analyzed that data and it was presented today in his modified table. The other major component is the City's growth assumptions do not align so these are things that have led to the entanglement between the current litigation, the data gaps, and incorrect assumptions. Those all need to be worked out so the RUWMP process can move forward. Director Cassil inquired about a forum to have those discussions and Mr. Neisler stated he will get with the other agencies to set up a meeting and report back to the Board.

Discussions continued on the types of committee meetings, the Brown Act, transparency, and the Water Priority Ordinance process. In closing, the Board acknowledged the remarks from the audience and Mr. Neisler will talk to the Ad-Hoc Water Priority Committee to come up with a plan of action.

Item 17. Board of Directors Comments

Director Zanutto recalled that at the last meeting, he brought past letters from GHCS and the City regarding the Ordinance, and asked the Ad-Hoc Committee to utilize those in their discussions and move forward with these meetings.

Director Hall stated he is committed to the democratic process and would like to support the RUWMP as a long-term planning tool. He does not want to see the Water Priority Ordinance turn into a long-term planning tool.

Vice President Pack thanked everyone for the opportunity to serve on the Board for the last two terms and he will not be seeking re-election in November. He has appreciated the opportunity to serve as President and Vice President, and to help the community meet their water needs. Ms. White thanked him for his service.

Item 18. 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.*
- d. In Accordance with Exhibit D Attached hereto, Anticipated Litigation, One Potential Case
- e. In Accordance with Exhibit E Attached hereto, Performance Evaluation, General Manager

The Board went into Closed Session at 6:00 p.m.

Item 19. Return to Open Session

The Board returned to Open Session at 7:15 p.m.

Report Action Taken in Closed Session:

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

e. No reportable action.

Item 20. Adjournment

The meeting was adjourned at 7:16 p.m. on a motion made by Director Cassil, seconded by Director Hall, and carried on the following vote: Ayes: Cassil, Hall, Pack, Zanutto; Noes: None; Abstain: None; Absent: Schultz. Motion passed.



James Pack, Board Vice 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: _____



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: _____
Name of Case: _____

2. Anticipated Litigation: _____
Gov. Code § 54956.9 (b): _____
Gov. Code § 54956.9 (c): One Potential Case

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: _____
Name of Case: _____

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: General Manager
4. Discipline/Dismissal/Release: _____

D. CONFERENCE WITH LABOR NEGOTIATOR (Gov. Code § 54957.6.)

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