

MINUTES

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS
November 17, 2021, 3:00 P.M.
22901 Banducci Road, Tehachapi, CA 93561

THIS MEETING WILL BE CONDUCTED IN-PERSON
STATE MANDATED COVID-19 PRECAUTIONS WILL BE ENFORCED

- Item 1. Call to Order and Roll Call**
Directors Present: Cassil, Hall, Pack, Schultz, Zanutto
Legal Counsel: None
Staff in Attendance: Catherine Adams, LaMinda Madenwald, Jon Curry, Tom Neisler
- 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 President Schultz.
- Item 4. Approval of Agenda**
Director Hall moved to approve the agenda. Director Cassil seconded the motion, and it was carried on the following vote: Ayes: Cassil, Hall, Pack, Schultz, Zanutto; Noes: None; Abstain: None; Absent: None. Motion passed.
- Item 5. Comments by any Party on Items of Interest and Within the Subject Matter Jurisdiction of the Legislative Body**
Mr. Neisler stated he received a written comment shortly before the meeting to be discussed during agenda Item 13 and the sender is in the audience. There were no other comments.
- Item 6. Consent Calendar - Consent items are considered routine and are intended to be acted upon as a single item, without discussion. During this portion of the meeting, the Consent Calendar will be read aloud. Prior to approval, the President will give the Board the opportunity to remove any item from the Consent Calendar to be discussed and voted on individually. The President will also give staff and the public the opportunity to request any item be discussed individually, in which case the President will determine whether the item will be removed from the Consent Calendar. The remaining calendar will be acted upon. Any removed items will then be heard and acted upon individually.**
- a. Approve Minutes of the Regular Board Meeting of October 20, 2021
 - b. Approve Quarterly Investment Report, Financial Report and Payment of Bills
 - c. Approve Schedule for Regular Monthly Board Meetings for 2022

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

Item 7. General Manager's Report

Mr. Neisler reported on the following matters:

- The picture features a rock barrier between the San Francisco Bay and the Delta entrance to prevent saltwater intrusion given the low water levels.
- DWR is making provisions to pump water back up the aqueduct, primarily from Kern County to customers further north. The Kern Water Bank is the largest of its kind in the United States. This has been contemplated before but has never been done.
- The recent storm events have increased storage in Lake Oroville more than 200,000 acre feet and the water level more than 30 feet, so it is no longer at its lowest level. Despite this increase, they have not restarted the hydroelectric plant at this time.
- There has been no update on the 2022 initial Table A Allocation.
- Metropolitan Water District has declared a drought emergency and encouraged six of their largest members to intensify conservation efforts. This morning, DWR reported conservation efforts in September were 3.9% in statewide, overall reduction. The Governor's voluntary request was 15%.
- Local precipitation does not have much impact on Brite Lake levels. Temperatures have been warm, dry, and windy. All customers have been asked to provide their Estimated Water Use for 2022 and Staff is following up with those who have yet to provide their information. In December, this data will be used for developing the 2022 operations plan.
- Staff is working to expand the District's groundwater extraction capability. The District has a Joint Agencies Agreement with the City and Golden Hills for the operation and maintenance of a pipeline that runs from Golden Hills Steuber Well to their production system and has a connection point with the City. Under the agreement, TCCWD has a right to tie into that well, so Staff is working with the agencies to develop a plan to do this. This tie-in will allow for TCCWD extractions from Tehachapi Basin.
- The City's Snyder Well is currently down. The District utilizes an agreement to pump District owned water from the well into our system to supplement surface water supply and Brite Lake storage. We are hopeful it will be repaired, and operations can continue.
- The District is working with BVCS and SSCSD on extraction capability in Cummings Basin as the District does not have any wells in Cummings Valley. TCCWD has an agreement with BVCS to utilize their facility when excess capacity is available. Staff is working on a similar agreement with SSCSD for use of their CV Well #1 which is currently out of service but they're looking to rehabilitate it. This will allow for groundwater extraction on both sides of the District in the event we have the limited surface water capability we are anticipating for next year. We appreciate the cooperation of all our public agency partners.
- The Pump Plant Tour was a great success. Assembly Member Vince Fong attended, it received positive media coverage, and we look forward to the next tour in April 2022.
- The ACWA Conference is being offered live in Pasadena or virtually this year. Mr. Neisler will attend live, three Directors will attend the virtual and Director Hall will attend the JPIA conference. They will provide reports at the December Board meeting.

He asked if there were any questions from the Board, Public, or Staff and there were none.

Item 8. Operation Manager's Report

Mr. Curry reported on the following matters:

- At the September 15th Board meeting, the Board adopted Resolution 11-21 regarding the Kern Multi-Jurisdictional Hazard Mitigation Plan and associated Annexes. On October 14th, FEMA granted final approval of the plan and the 36 second-wave Annexes.
- The CalOES generator project mandatory progress report has been submitted to CalOES for review and comment. The generator vendor has informed us that delivery has been pushed back to June 2022 on the two stationary units.

- TVRPD will be holding their annual Hot Chocolate Turkey Trot on November 20th at Brite Lake. Staff has been coordinating with TVRPD to support this event.
- Water demands have greatly decreased, and Staff monitors the lake levels closely. The lake level has decreased about 15 acre feet over the last couple of weeks. The four Tehachapi Basin wells and the Snyder well have been shut down.
- On November 12, 2021, the Brite Lake elevation was 4343.9', depth was 17.9' and lake volume was 575.8 AF.
- The Pumping Systems Department received two right angle drives (gearboxes) back from De'Ran Gear that were sent in for repair on June 17th. They informed us that due to parts availability and backlog, we can expect lead times to be 20-24 weeks moving forward.
- At PP3, Engine 2, a rebuilt 7-stage pump and rebuilt gearbox were re-installed and aligned this week. At PP1, the new Catalyst Safety Platforms (CIP Project) were completed, along with the replacement of 2 evaporative coolers at PP2. The new 24" Limatorque back-pressure valve for the mainline at the Cogen Building has been received. This new valve will help control line pressure in Cummings Valley between PP3 and PP4.
- The Pipeline Department has completed the key and general well soundings. They installed a new 5'x5' concrete vault at the master meter near the MRM 15 turnout (top right photo). They completed the shoulder remediation on Dennison Road from the water line leak last month. The tie-in to Steuber Well that Mr. Neisler mentioned will take place next to turnout T-15 so that excavation has been completed. He described the planned connection process. Pipeline Staff also performed grading of the Pump Plant Road in preparation of the tour.
- Looking ahead, Operations Staff will be working on completion of installing a new isolation valve off the mainline at turnout T-15. Staff is also working towards the installation of a new 14" mag meter downstream of the Cla-Val at PP4. This will provide actual flow data into Cummings Valley from Brite Lake and will be a great improvement. Work has begun on completion of the annual report for the Streambed Alteration Permit for the California Department of Fish and Wildlife.

He offered to answer any questions. Director Zanutto commented that it is nice to have elected officials on the Pump Plant Tour so they can see what it takes to pump water up here and the tour was well received. Staff did a great job all the way around.

Item 9. Accept Bids, Award Contract to Lowest, Responsive Bidder and Authorize General Manager to Execute Contract for Skid Steer and Accessories

Mr. Curry stated that at the October 20th RBM, the Board authorized Staff to solicit bids for the purchase of a skid steer loader and accessories. Bid notices and specifications were sent to equipment vendors on October 25th and five bids (Attachment B) were received prior to the 3:00pm deadline on November 10th. These specifications were developed based on the operational needs of the District. Over the past few years, Pipeline Staff has been utilizing various skid steer platforms from rental vendors which gave them an opportunity to evaluate different units.

Attachment A contains a specification comparison spreadsheet of the models submitted in the bids and he reviewed these. Staff recommends purchasing the skid steer unit and accessories from Quinn Caterpillar and explained the reasons for this. Mr. Curry answered the Directors' questions on the units, attachments, and prior leases. Director Cassil mentioned she appreciates that Staff was involved in the decision as they will be the ones operating it.

President Schultz moved that the Board authorize Staff to purchase the Skid Steer Loader and Accessories from Quinn Caterpillar in the amount of \$96,929.00. 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. Motion passed.

Item 10. Accept Bids, Award Contract to Lowest, Responsive Bidder and Authorize General Manager to Execute Contract for the Pumping Plants Painting Project

Mr. Curry stated at the October 20th RBM, the Board authorized Staff to solicit bids for the Pumping Plants Painting Project. Bid notices were sent out on October 22nd and two bids (Attachment B) were submitted prior to the 2:00pm bid deadline on November 10th.

The scope was structured so that the bids received would include a “base price” for the Pump Plant buildings only and then additional structures would be listed individually so that the project cost could be scaled to fit within the approved budget amount. The FY 2021-2022 Capital Expenditure Budget includes \$100,000 for this project and Staff recommends awarding the contract to Wm. B. Salah Co. for \$88,260.00. This leaves a little room for potential increase in material costs. This price includes painting the four pump plant buildings, the suction drum at PP1, the discharge drums, microwave support poles, air receiver tanks, roof ladders, and safety cages. He offered to answer questions and there were none.

President Schultz moved that the Board accept bids and authorize the General Manager to execute the contract with Wm. B. Salah Co. for the Pumping Plants Painting Project. The motion was seconded by Director Hall and was carried on the following votes: Ayes: Cassil, Pack, Hall, Schultz, Zanutto; Noes: None; Abstain: None; Absent: None. Motion passed.

Item 11. Schedule Ad-hoc Audit Committee Meeting

Ms. Madenwald stated she is preparing the annual audited financial statement report to be presented at the December Board meeting. The Ad-hoc Audit Committee will be meeting with the auditor again to go over this report before it is brought before the Board. The auditor has requested a preference for meeting via Zoom during the morning of December 8th, 9th, or 10th. The auditor will be present at the December Board meeting to make the presentation. Directors Hall and Zanutto are the Audit Committee members.

The Ad-hoc Audit Committee Zoom meeting was scheduled for Thursday, December 9th at 9:00 a.m.

Item 12. Approve Amendment to Water Purchase Agreement with Granite Construction Company for Solari Project

Mr. Neisler stated in 2013, the Board approved a Water Purchase Project Contract with Granite Construction Company to serve their Solari Project, a quarry east of Arvin. Granite anticipated project completion in 2016, but they encountered significant delays in the permitting process. Limited operations commenced in 2019 and reached full operating capability this summer. The contract contains five-year water purchase milestones, and the first period was (2017-2021) requiring them to purchase 500 AF of water. The District’s water situation was much different in 2013 and he described how the District had to sell water to other agencies to forego having to not accept the allocation as importation capacity was limited.

By the end of 2021, Granite will have purchased less than 200 AF. Mr. Neisler has had several discussions with Granite about the five-year term and they agreed on removing the minimum requirements for them to purchase and TCCWD to supply water and leave the maximum requirements in place. The proposed contract amendment has been prepared (Attachment B). This will be a win-win for both entities.

Director Zanutto sought clarification on whether the current contract subjects Granite to paying for 500 AF of water even if they did not use that amount and Mr. Neisler confirmed it does. Mr. Neisler added

they have met their water banking requirement of 905 AF in the District and pointed out an advantage to this situation is the District does not have to bear the cost to pump the water up the mountain.

Mr. Jay Schlosser with the City of Tehachapi asked if there is a termination clause in the contract and if the District has considered not advocating this due to the shift in water availability. Mr. Neisler answered there is a termination clause but that was not discussed. The life of the quarry is 50+ years and they want a guaranteed water supply.

Director Zanutto moved that the Board approve the First Amendment to Water Purchase Agreement between Tehachapi-Cummings County Water District and Granite Construction Company. 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. Motion passed.

Item 13. Review Draft Rules & Regulations for the Amended and Restated Cummings Basin Judgment

Mr. Neisler stated Mr. Matt Vickery is here from Grimmway for this item, but he is unavailable at this time. Mr. Neisler requested that he be given the opportunity to comment if the Board concludes their discussion before his return.

In January 2021, the Kern County Superior Court granted the motion to amend the Cummings Basin Judgment. Staff and Counsel have prepared the draft Rules and Regulations to implement the Amended and Restated Judgment (ARJ). The intent of this item is to allow for discussion, prior to the presentation of the final version and attachments at the December 15th, RBM. The management and allocation plan will go into effect beginning in 2022. Staff recommends the President reseal the Cummings Basin Adjudication Ad-Hoc Committee (Schultz, Zanutto, alternate Hall) to hold any detailed discussions about what is contained in the document. The draft was prepared under time and staffing constraints by Legal Counsel, so revisions are anticipated. The first revision to the draft in the Board package has been prepared and was provided to the Directors and copies are available for the public. Mr. Neisler noted in this revision that the section on transfers has been removed as there are no prescribed water rights under this judgment. Mr. Vickery submitted some comments after 2:00pm today, so Staff has not had a chance to incorporate those comments in this discussion (copies of comments were provided). Mr. Neisler has briefly discussed the comments over the phone with Mr. Vickery and he feels they can be resolved at a Staff level.

President Schultz reinstated the Ad-Hoc Committee as requested and a committee meeting was scheduled for December 6th, at 1:30 p.m.

Item 14. Board of Directors Comments

President Schultz commented it has been nice to see Capital Improvement Projects and maintenance continue to be completed and thanked Staff. Mr. Curry thanked him for the comment and stated he will pass that on to Staff.

Item 15. 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, Rosedale-Rio Bravo WSD *Et al.* v. Kern County Water Agency *Et al.*

The Board went into Closed Session at 4:01 p.m.

Item 16. Return to Open Session

The Board returned to Open Session at 4:48 p.m.

Report Action Taken in Closed Session:

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

Item 17. Adjournment

The meeting was adjourned at 4:49 p.m. on a motion made by Director Cassil, seconded by Director Hall, and carried on the following vote: Ayes: Cassil, Hall, Pack, Schultz, Zanutto; Noes: None; Abstain: None; Absent: None. 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: _____



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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): _____

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