

MINUTES

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT REGULAR MEETING OF THE BOARD OF DIRECTORS

August 21, 2019 3:00 P.M.

22901 Banducci Road, Tehachapi, CA 93561

- Item 1. Call to Order and Roll Call**
Directors Present: Cassil, Hall, Pack, Schultz, Zanutto
Legal Counsel: Bernie Barmann
Staff in Attendance: Catherine Adams, Troy DePriest, LaMinda Madenwald and Tom Neisler
- Item 2. Flag Salute**
The Pledge of Allegiance was led by Director Hall.
- Item 3. 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.
- Item 4. Comments by any Party on Items of Interest and Within the Subject Matter Jurisdiction of the Legislative Body**
There were none.
- Item 5. 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 July 17, 2019
 - b. Approve Quarterly Investment Report, Financial Report and Payment of Bills
- Director Zanutto requested Item a. be removed. President Pack removed Item a. and asked for action on Item b.
- Director Cassil moved to approve Item b. Quarterly Investment Report, Financial Report and Payment of Bills. Director Schultz seconded the motion and it was carried on the following vote: Ayes: Cassil, Hall, Pack, Schultz, Zanutto; Noes: None; Abstain: None; Absent: None.
- Item a.- Director Zanutto stated he removed this item because due to his absence at the last meeting, he cannot approve the accuracy of the Minutes and will be abstaining from the vote.
- President Pack moved to approve Item a. Minutes of the Regular Board Meeting of July 17, 2019. Director Hall seconded the motion and it was carried on the following vote: Ayes: Cassil, Hall, Pack; Noes: None; Abstain: Schultz, Zanutto; Absent: None.
- Item 6. General Manager's Report**
Mr. Neisler reported on the following matters:
- The District had another wonderful Safety Picnic. He thanked the staff who helped put it together.
 - There has been a difference in the planting and irrigation load this year and some fields are just now going in. Regardless, there has been no trouble meeting imported water demand.

-Senate Bill 1 is legislation that was proposed in response to the Federal Government threatening to roll back some environmental regulations (EPA, Federal Fish & Wildlife) concerning the operation of the two projects, Central Valley Project and State Water Project, and the agreements on which those projects are operated. The legislation proposes to lock existing state regulations in place, regardless of what the Federal Government does. The public water agency standpoint is to oppose this legislation. The Governor has not responded at this time. Mr. Neisler attended a workshop with the Field Directors for Assemblyman Fong, Senator Grove, and Congressman McCarthy that was held at GHCS. He was able to get individual time with each representative to express opposition to the measure. Mr. Neisler plans to write a letter to each representative to express the District's opposition on behalf of the Board, unless the Board is opposed to him doing so.

-Operations continue and importations will be close to 10,000 acre feet this year. A Transfer agreement is in place for any water that cannot be imported into the District. There will be an estimated 6,000 acre feet of water that will not be imported and will be banked in the San Joaquin Valley under a 2:1 agreement.

-There is no item on the agenda this month for the 2 acre parcel that's been discussed the past two meetings (Comprehend & Copy Nature, LLC). They are still working with the title company to resolve the issue and Mr. Neisler will bring this topic back to the Board once a determination is available.

-CSDA published the results from the Seat B election and Lorenzo Rios was elected.

-He was pleased to report that Troy DePriest has been accepted into the next cohort of the JPIA Leadership Course for Water Professionals. It is a yearlong course beginning this October with quarterly meetings in Orange County and monthly conference calls and assignments. He is grateful Mr. DePriest is willing to dedicate the time and make the effort to go through the program. It will be a benefit to the District.

-The District has once again been recognized by the GFOA for receiving an award for "Achievement and Excellence in Financial Reporting" for the 10th year in a row. This is primarily due to the efforts of the Business Manager, LaMinda Madenwald, and the previous General Manager, John Martin.

-The City of Tehachapi is intending to apply for a traffic mitigation grant for a truck passing lane on Hwy 58. This is not a grant they will administer as the lane will not be within the city limits. The grant applicant has to be a member of the Kern Council of Governments and the City of Tehachapi is a member. Greg Garrett, the City Manager, sent out a request for letters of support for their grant application. Mr. Garrett pointed out that Hwy 58 experiences some of the highest commercial truck volume in the state, with more truck traffic than on Interstate 80. Truck traffic accounts for more than 30% of the vehicular traffic on this route. Of the workforce in Tehachapi, 60% commute, with 70% of that traffic commuting into Bakersfield via Hwy 58. There are four District employees who commute to work on Hwy 58 as well as employees in District vehicles going up and down that road daily to the lower pump plants. The safety impacts are viable and affect this District. Unless the Board thinks otherwise, Mr. Neisler is planning to issue a letter of support to the City for their grant application.

-He discussed the charts attached to his report.

Director Hall asked where, in the lower Kern area, will the 6,000 acre feet of water be stored. Mr. Neisler stated the exchange will be with ID4 and they will make the decision as to where they want to store it. Typically, it would go into the Kern Water Bank. It will not be in San Luis Reservoir. He only intends to store a maximum of 800 acre feet there and that will not be part of the exchange agreement. There was fear that San Luis would spill before the end of the year, however, that is no longer a concern but any appreciable precipitation this winter will spill San Luis. He is willing to leave 800 acre feet in there with hopes that pumping can begin on February 1st, even if there is not sufficient allocation.

Director Cassil commented that a truck passing lane on Hwy 58 is a terrific idea and supports writing a letter for the City. Mr. Neisler offered to draft the letter and have the Board sign it. The Board liked this idea and will sign the letter at the next Board meeting.

Director Zanutto and President Pack congratulated Ms. Madenwald on a job well done.

Item 7. Operations Manager's Report

Mr. DePriest reported on the following matters:

- There was a power outage due to a damaged underground SCE line between PP3 and PP2. Emergency generators were used until the repair was complete and power restored.
- Controls and Emissions Tech, Paul Dutcher, along with Aspect Engineering, upgraded the SQL server database that will allow staff to collect, transfer, and store all system data.
- He previously reported to the Board a submission of two FEMA grant applications to cover 75% of the costs for the Inundation Mapping/EAP projects. The PDMA grant application was accepted and submitted to FEMA, and he is currently awaiting a reply on the status. The second application for the HMGP fund was denied.
- Staff conducted the annual NRCS dam inspection on August 5th where engineers inspected the facilities at Antelope and Blackburn Dams. No major concerns or problems were expressed by NRCS staff.
- On July 11th, 500 gallons of oil spilled into the aqueduct at the Chrisman Pumping Plant operated by DWR. Most of the oil was contained in a pump bay and did not affect the water quality in the aqueduct. DWR staff installed oil absorbent booms across the aqueduct and around the TCCWD turnout. No oil was found in the samples taken at the turnout and various locations throughout the system.
- On July 10th, there was a safety incident in the Pipeline Department. Two employees were lifting a concrete scrap from a water meter box when a piece of concrete broke off and landed on the foot of one employee. He was examined by Central Valley Occupational where doctors determined he had a contusion. There was no lost time.
- Staff took delivery of a new split-design discharge head from Evans Hydro, Los Angeles. That will be installed in one of the damaged discharge heads when pumping goes down to a two engine system. Two more will be ordered this year as the Board approved those in the Capital Improvement Budget.
- On August 15, 2019, Brite Lake elevation was 4353.1 feet and the volume was 1069.3 acre feet.
- While staff was performing an oil service on PP2 Engine 4, they simultaneously placed Engine 2 online as the third engine. They mistakenly drained some of the oil from Engine 2 because a valve was left inadvertently open and the low oil alarm did not sound in time to shut down the engine. It suffered damage to the pistons, liners, and heads. Fortunately, no one was hurt in this incident. The crew was coached following the incident and a checklist procedure has been instituted that forces both mechanics performing oil services to check all oil drain valves, on all engines, before proceeding with any service. Staff is also going to install spring loaded ball valves on the oil-drain line. Due to this damage, a complete top and bottom end rebuild of this engine is being done. The goal is to complete this by Friday. The system has continued to operate with 3 engines.
- Mr. Graysen Oldham has accepted the offer of employment for Pipeline Supervisor and comes with extensive supervisory, management, and underground construction experience.
- He described the pictures attached to his report.

Director Zanutto asked how SCE determines where the break is in the powerline. Mr. DePriest explained they have a specialized crew that responds, runs a charge through the line, and then walks the line with a device that detects where the damage is.

Director Zanutto and Director Hall commented on the engine incident and Mr. DePriest expressed that staff understands how serious the incident was.

Item 8. Adopt Resolution 11-19 in Recognition and Appreciation, Honoring Alex Steele Upon his Retirement

Mr. Neisler presented the staff report describing Mr. Steele's longevity, experience and value to the District and the community. He was instrumental to the growth of the District and will be sorely missed.

Director Schultz moved that the Board adopt Resolution 11-19 In Recognition and Appreciation Of Alex Steele Honoring Him For His Dedicated Service To The Tehachapi-Cummings County Water District And The Community Upon His Retirement. The motion was seconded by Director Hall and carried on the following vote: Ayes: Cassil, Hall, Pack, Schultz, Zanutto; Noes: None; Abstain: None; Absent: None.

With a round of applause, the Board presented Mr. Steele with a framed resolution, thanking and congratulating him.

Item 9. Adopt Resolution 12-19 Approving Fiscal Year 2019-20 Final Budget, Investment Policy, Appropriations Limit and Reserve Policy

Ms. Madenwald described that with updated information, staff has developed a more accurate budget forecast than was approved in the Preliminary Budget. The Final Budget may be amended during the fiscal year by subsequent Board resolutions.

Since the Board adopted the Preliminary Budget on June 19, 2019, it has been available for public inspection. The Ad-hoc Committee considered the proposed changes on August 14, 2019. Ms. Madenwald reviewed the summary of changes to the General and Reserve funds and the detailed listing contained in the staff report. The net change to Overall Budget is an increase of \$470,400 to Reserves and the net change to Working Capital beginning balances is a decrease of \$110,279.

The outcome for this proposed Final Budget is to add \$4,900 to Reserves for the District as a whole during fiscal year 2019-20. The General Fund will gain \$402,900. All General Fund designated reserves are now fully funded, and no transfers from the General Fund are planned; however, the 6/30/19 targets will be recalculated after the audited fiscal year 2018-19 Comprehensive Annual Financial Report is completed, and a recommendation will be made to the Board at that time.

Ms. Madenwald reviewed Attachment A, a list of the changes made to the funds in the Preliminary Budget and Mr. Neisler reviewed Attachment B, the list of changes made to the Capital Expenditure Budget. Communication headsets were discussed as an added Capital Expenditure and Director Cassil asked if the headsets would aid in hearing protection. Mr. Neisler explained that he hopes that will be an added benefit, however, these do not replace hearing protection and protection will still be worn with the headsets. The District does do annual hearing tests to monitor employees. Mr. Wyman asked if when the District adds sophisticated equipment to the Capital Budget, are the training costs included within the price and Mr. Neisler responded it varies depending on the item. When there is a lot of training involved, such as when an engine is replaced, that is included in the capital cost. Director Zanutto commented that there are many items on the Capital Expenditures Budget this year, it's a bold venture, and he looks forward to seeing how it goes as staff did a great job completing items last year. He complimented the Board on making sure all this was in the budget and Mr. Neisler added that it is appreciated.

Ms. Madenwald stated that Attachment C is the proposed Resolution 12-19 and Exhibit A of the resolution is the Final Budget. The minutes of the Ad-hoc Budget Committee are Attachment D for reference. This resolution is also developed to adopt the Investment Policy and the Appropriations Limit which are listed on page 1-3. The Reserves Policy follows on pages 1-4 through 1-9 on which page you will see the updated spreadsheet for the reserve fund balances, targets, analysis and projections. Page 1-13 is the bottom line for this projected Operating Budget. She continued to navigate through the Budget document explaining the funds and reports. The Ad-hoc Committee met on August 14, 2019 and recommended adoption of the 2019-20 Final Budget.

Director Zanutto asked if staff talks to the CSDs and sod farmers or looks back at previous years' data to generate Recycled and M&I water sales estimates. Mr. Neisler answered that they use both of those methods and a 5 year running average to make those estimations.

Director Cassil thanked Ms. Madenwald for a job well done as it is a very complex process to put a budget together.

Director Cassil moved that the Board adopt Resolution 12-19 approving the fiscal year final budget, investment policy, appropriations limit, and reserves policy. The motion was seconded by Director Hall and it was carried on the following vote: Ayes: Cassil, Hall, Pack, Schultz, Zanutto; Noes: None; Abstain: None; Absent: None.

Item 10. Adopt Resolution 9-19, Establishing Purchasing Policies and Procedures

Mr. Neisler stated this item was tabled until this meeting to allow the full board to participate since this is a policy revision. The District's auditor, Van Lant & Fankhanel, recommended the Purchasing Policy be updated, and the recommendation letter is included as Attachment A. Staff and counsel have reviewed and updated the Purchasing Policy and Procedures. This policy was last approved in October of 2010 and the resolution is included as Attachment B. The proposed revisions are included in a redline format as Attachment C. The revisions are primarily updates to procedures to align with current practices. Business is done differently now than in 2010, and there are more purchases made online which require the use of a credit card. Currently, only the General Manager is issued a District credit card and the proposed revisions will permit the Business Manager and Operations Manager to be issued District credit cards to be used for their respective departments. The General Manager's card will be primarily used for Board and staff travel expenses and in the event of an emergency. The Controls Policy, which is the next agenda item, talks about how purchases will be monitored and what controls are in place. Anything that is approved by the Business Manager or Operations Manager, is then approved by the General Manager prior to the invoice being paid. Anything charged by the General Manager will be approved by the Business Manager.

The other significant revision is the purchasing limit for the General Manager without Board approval. The current limit is \$10,000 for certain categories. There are expenses that have been approved in the budget and when the time comes to make the purchase, staff has to wait until the next Board meeting for the purchase to be approved. The revised policy proposes raising the limit to \$25,000 and this amount was derived as a reasonable amount based on a comparison to other Special Districts shown on Attachment D. The proposed Resolution 9-19 is Attachment E which will replace Resolution 20-10.

The Directors had a discussion regarding raising the General Manager's purchasing limit from \$10,000 to \$25,000 in certain categories per the Policy. Some Directors felt \$25,000 was a reasonable amount considering the current costs of equipment and parts, while other Directors felt this would be too large of

an increase and it is important for the Board to still be informed and approve purchases over \$10,000. There was discussion that a limit of \$15,000 would be more reasonable.

Director Zanutto asked for clarification on page 4 of the policy regarding the statement that states no personal expenses are allowed on District credit cards, yet it then has procedures for if a transaction involves both personal and District business. Ms. Madenwald responded that there are some cases when employees are traveling, when hotels may combine things such as room charge and a movie rental into one transaction in which case the employee would have to cover the charge and be reimbursed for the room portion, rather than the District covering the full charge that includes personal expenses.

Mr. Wyman asked how staff handles non-budgeted, emergency expenses. Mr. Neisler referred to the section of the policy that addresses emergency situations where it states the Purchasing Agent (General Manager) has authority to secure, at the lowest obtainable price, any equipment, material, supplies, or services, regardless of the amount of the expenditure. Then a full report of the circumstances of each emergency purchase, in excess of \$10,000, shall be filed by the Purchasing Agent with the Board of Directors and shall be entered into the meeting minutes. Mr. Wyman was satisfied and shared an example of an emergency situation he knew of (involving a different, private company) in which a strong policy was not in place and the consequences as a result of that.

Director Schultz asked if there was an idea of what amount credit limits will be for the new credit cards. Mr. Neisler stated he proposes \$5,000 for the Business Manager, \$10,000 for the Operations Manager, and around \$100,000 for the General Manager. Director Cassil suggested that it may be wise to consider a different credit card vendor that has more, or better safeguarding in place. Mr. Neisler stated staff agrees and has been looking into other vendors but did not want to make a change prior to the Board considering this item.

Director Schultz moved that the Board adopt Resolution 9-19, establishing purchasing policies and procedures with the amendment to the General Manager's purchasing limit to \$15,000 for the categories where the limit was proposed to be raised. The motion was seconded by Director Hall and carried on the following vote: Ayes: Cassil, Hall, Pack, Schultz, Zanutto; Noes: None; Abstain: None; Absent: None.

Item 11. Adopt Resolution 10-19, Implementing Tehachapi-Cummings County Water District Internal Controls Manual

Ms. Madenwald stated this policy addresses controls and as Mr. Neisler mentioned, it was a recommendation of the auditor to update the current policy. A copy of the auditor's recommendation is included as Attachment A to the previous agenda item, Item 10. In keeping up with best practices, management has prepared the Internal Controls Manual which is included as Attachment A to proposed Resolution 10-19. This manual is developed in accordance with current laws and guidelines. As listed on the first page of the document, this policy addresses the three objectives of internal control: reporting, operations, and compliance. It also addresses the five components of internal control: control environment, risk assessment, control activities, information and communication, and monitoring.

Some controls are specific to the District's particular practices and business model and are discussed in pages 4 through 6. Where the District is not able to segregate duties because it is a small agency, mitigating controls of supervisory review and approval are used. The auditors will be able to take samples and ensure that these processes are adhered to.

Director Cassil referred to the letter from Van Lant & Fankhanel and asked to conduct a review of their recommendations to ensure everything has been addressed. As the items were being reviewed, Ms.

Madenwald clarified that the auditor's issue was not the District's practice, it was that the policy did not describe the process, so they could not test adherence to it. She addressed each question and explained the current process that meets the recommendations. She explained that with regard to segregation of duties, processes are outlined with duties such as if employee one does this, then employee two does this and employee three reviews it to establish checks and balances. With regard to inventory and depreciation of capital assets, Ms. Madenwald stated a portion of this has been done and the rest she is currently working on as part of the upcoming audit.

Director Cassil moved that the Board adopt Resolution 10-19 implementing the Tehachapi-Cummings County Water District Internal Controls Manual. The motion was seconded by Director Schultz and carried on the following vote: Ayes: Cassil, Hall, Pack, Schultz, Zanutto; Noes: None; Abstain: None; Absent: None.

Item 12. Approve Contract with Provost & Prichard for Grant Application Assistance and Authorize General Manager to Execute

Mr. Neisler reviewed the background information of the grant and described the timeline of events as mentioned in the staff report. The next step is to submit a phase 2 application to DWR. Provost & Pritchard (P&P) is preparing the application and the deadline to submit is September 6, 2019. DWR did not disclose this submittal date until after the July 17th regular Board meeting. P&P submitted their proposal for services on July 26, 2019. In order to meet the September 6, 2019 deadline, Mr. Neisler authorized P&P to commence with the work required on a time and materials basis, with a cost not to exceed \$10,000. Approval by the Board is required, as the total estimated amount is not to exceed \$15,000 which is above the limit Mr. Neisler can administratively approve.

Mr. Neisler believes the District has a good chance in receiving the grant and recommends approving the contract and investment of funds. Attachment A is Provost & Prichard's proposal for review.

Director Zanutto moved that the Board approve the contract with Provost & Pritchard, dated July 26, 2019, and included as Attachment A; and authorize the General Manager to execute the contract. The motion was seconded by Director Hall and carried on the following vote: Ayes: Cassil, Hall, Pack, Schultz, Zanutto; Noes: None; Abstain: None; Absent: None.

Item 13. Approve Contract with GSI Water Solutions, Inc. for Additional Groundwater Modeling Tasks and Authorize General Manager to Execute

Mr. Neisler stated that Fugro West prepared the Final Report for the Tehachapi Groundwater Basin Study dated June 2009 and it only included data through 2004. He approached the City of Tehachapi (COT) and Golden Hills CSD (GHCS) about participating in an update in late 2017. The request was to update the natural safe yield calculation as well as to analyze the nitrate levels and migration patterns within the basin. Both agencies agreed to include funding for the study on a proportional basis, in their fiscal year 18-19 budgets. TCCWD do so as well.

In 2018, COT reactivated their Indirect Potable Recharge project proposal. Don Marsh, Public Works Director, is in attendance today and presented that project to the Board at a past meeting in which he received support from the Board. The project would require the groundwater model to be updated to determine how any recharged effluent would flow through the basin. The way the cost was intended to be calculated in 2009 was that TCCWD would pay 50% as the Watermaster, the other participating agencies would pay their share, however, most did not and be District paid around 73% of the cost. This time it will be better. Attachment A is the GSI proposal for \$78,633 of which TCCWD will pay 50%, and COT and GHCS will pay their proportional share based on their water rights. This amounts to COT paying

34% and GHCSO paying 16%. GHCSO has indicated they will pay their share of the costs and the COT was not yet willing to pay their full share, subject to conclusion of the negotiations with TCCWD on the Memorandum of Understanding (MOU) for the use of Blackburn Dam. Those discussions are ongoing and not at a point yet where Mr. Neisler can make a recommendation to the Board. COT does not want to commit more resources to the project, because without an MOU in place, the project cannot move forward. Mr. Neisler is confident the MOU can be negotiated. His recommendation is that the Board authorize the full contract based on the proportions stated and allow the General Manager the flexibility to choose the analyses conducted. A consultant has blocked out time to do the work and if that timeframe gets passed up, this groundwater project goes to the back of the line. Groundwater modeling consultants are in high demand in California with SIGMA and all the GSPs being put into place. For all these reasons, Mr. Neisler recommends the Board approve the project, approve the proposal, and authorize the General Manager to execute and manage it.

Director Cassil supports the concept and feels that knowing how much water is in the basin is essential. Director Zanutto asked for clarification on the City of Tehachapi's position. Mr. Neisler explained their intention is to participate, they are just concerned about completing negotiations on the MOU before they commit additional funds for this. They are already committed to paying the consultant to do the model update which is significantly more than \$78,000.00. Mr. Don Marsh explained it is 100% the City's intention to participate in the groundwater basin study. They are spending upwards of \$200,000 and a portion of that work will be used for the study that TCCWD will be utilizing. If for some reason the City does not move forward with their project, there will be additional costs for TCCWD to do this study. Mr. Marsh stated he agrees with what has been presented in this staff report and the City will move forward under these terms once an MOU is in place.

Director Schultz stated he is related to someone who owns water rights so he will be abstaining from the vote.

President Pack moved that the Board approve the contract with GSI Water Solutions, Inc., in accordance with proposal dated July 15, 2019, and included as Attachment A; and authorize the General Manager to execute the contract. The motion was seconded by Director Cassil and carried on the following vote: Ayes: Cassil, Hall, Pack, Zanutto; Noes: None; Abstain: Schultz; Absent: None.

Item 14. Update on Cummings Valley Amended and Restated Judgment

Mr. Neisler stated that since the last meeting, discussions continue with SunSelect and their counsel on resolving their issues. Response was received this morning that their counsel has been unavailable, and they will be meeting soon to discuss, so there is not any SunSelect progress to report at this time. District counsel has continued to draft the required paperwork to submit the application to the court. Some of these items will be discussed in more detail in Closed Session. Staff is hopeful they can reach an agreement with SunSelect soon and the next step will be to complete the "Draft Final" Amended and Restated Judgment that will be distributed to all the identified stakeholders. Included with that distribution will be a notification of a meeting to be held to discuss that judgement. The meeting will include the Ad-hoc Committee, Directors Schultz and Zanutto, and after the meeting, staff and counsel will brief the full Board on the status of the judgement with the intention of requesting direction to move forward with filing the action with the court.

Item 15. Update on Cummings Valley Westerly Recharge Project

Mr. Neisler has received the appraisal and it will be discussed in Closed Session. He previously discussed the status of the grant application and that the next application is due on September 6, 2019. He filed the Environmental Notice of Exemption with the County and it is in the public review period. The Kern IRWM

meeting was held on August 15, 2019. Mr. Neisler sat on the Executive Committee as the alternate for this sub-region. No substantive action was taken at that meeting. Subsequent to receiving direction from the Board in Closed Session, Mr. Neisler, serving as the Real Property Negotiator, will meet with David Aranda and SSCSD to discuss the next steps. He anticipates the Board directing him to make SSCSD a purchase offer. Staff will continue to coordinate with Provost & Prichard on the grant application.

Item 16. Direct General Manager to Cast District Vote for ACWA Region 7 Board of Directors and Officers

Mr. Neisler stated this vote is for the ACWA Region 7 Board of Directors for the 2020-2021 term. The ballot is Attachment A. Mr. Neisler served on the nominating committee that prepared this ballot and Paul Hendrix, Manager, Mid-Kaweah GSA, is proposed for the Region Chair and Eric Averett, General Manager, Rosedale Rio Bravo Water Storage District, is proposed for the Vice Chair. There were just enough candidates to fill the available Board Member seats so there will not be an election. Mr. Neisler stated he knows five of the candidates personally, the Chair and Vice Chair are very active at the state level and they are solid candidates to represent this region. Mr. Neisler requested the Board direct him to approve the slate as recommended by the nominating committee.

Director Zanutto moved that the Board direct the General Manager to cast TCCWD's vote for ACWA Region 7 Nominating Committee's recommended slate of candidates. The motion was seconded by President Pack and carried on the following vote: Ayes: Cassil, Hall, Pack, Schultz, Zanutto; Noes: None; Abstain: None; Absent: None.

Item 17. Approve Director's Attendance at ACWA Fall Conference

The Fall ACWA Conference will be held from December 3-6, 2019 in San Diego. The registration packet with details has not been distributed yet but registration and housing are open. Director Hall is the District's representative on the JPIA Executive Board which meets on December 2nd and 3rd. California law requires elected official's actual and necessary expenses be reimbursed and their attendance must be approved by the Board in advance. Typically, it will cost no more than \$2,100 for one Director to attend the full conference. Should the Board approve any Director to attend, that Director will need to itemize expenses and be reimbursed only for actual expenses per the District's expense reimbursement policy.

President Pack asked which Directors are available to attend. Director Hall and Director Schultz were the only two Directors available to attend. Mr. Neisler will be attending from the staff.

Director Zanutto moved that Director Hall and Director Schultz be approved to attend the 2019 ACWA Fall Conference. The motion was seconded by Director Cassil and carried on the following vote: Ayes: Cassil, Hall, Pack, Schultz, Zanutto; Noes: None; Abstain: None; Absent: None.

Item 18. Board of Directors Comments

Director Cassil commented that the District picnic was a delightful family affair and an opportunity for the Board members to meet a number of staff members. She expressed her thanks to everyone who worked so hard to make the picnic a delightful afternoon. Director Hall expressed his disappointment for being unable to attend.

President Pack commended Ms. Madenwald on earning another GFOA award. Ten years in a row is fantastic.

Item 19. 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, Kern County Superior Court Case 97209, Tehachapi-Cummings County Water District, a Body Corporate and Politic vs. Frank Armstrong, et al.
- b. In Accordance with Exhibit B Attached Hereto, Threat of litigation in June 19, 2019, letter from Tyra Hughley Smith, Esq.
- c. In Accordance with Exhibit C Attached Hereto, DWR v. All Persons Interested in Authorization of WaterFix Revenue Bonds et al.
- d. In Accordance with Exhibit D Attached Hereto, Conference with Real Property Negotiator (SSCSD)

The Board went into Closed Session at 5:24 p.m.

Item 20. Return to Open Session

The Board returned to Open Session at 6:23 p.m.

Report Action Taken in Closed Session:

- a. No action taken.
- b. No action taken.
- c. No action taken.
- d. The Board provided direction to the Real Property Negotiator.

Item 21. Adjournment

The meeting was adjourned at 6:24 p.m. on a motion made by Director Hall, seconded by President Pack and carried on the following vote: Ayes: Cassil, Hall, Pack, Schultz, Zanutto; Noes: None; Abstain: None; Absent: None.


James Pack, Board President


Catherine Adams, Board Secretary



Tehachapi-Cummings
County Water District

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CLOSED SESSION ITEM DESCRIPTIONS

(Gov. Code § 54954.5)

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

Description of Property: _____

Proposed District Negotiator: _____

Negotiating Parties: _____

Subject of Conference: _____

B. CONFERENCE WITH LEGAL COUNSEL (Gov. Code § 54956.9.)

1. Existing Litigation: Case No. 97209

Name of Case: Tehachapi-Cummings County Water District

a Body Corporate and politic, vs. Frank Armstrong et. al.

2. Anticipated Litigation: _____

Gov. Code § 54956.9 (b): _____

Gov. Code § 54956.9 (c): _____

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

1. Appointment: _____

Title: _____

2. Employment: _____

Title: _____

3. Performance Evaluation: _____

Title: _____

4. Discipline/Dismissal/Release: _____

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

Agency Negotiator: _____

Employee Organization: Not Applicable

Unrepresented Employee: _____



Tehachapi-Cummings
County Water District

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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): Threat of litigation in June 19, 2019, letter from Tyra
Hughley Smith, Esq.

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: _____



Tehachapi-Cummings
County Water District
Our Water • Our Future

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: DWR v. All Persons Interested in Authorization of
WaterFix Revenue Bonds et al.

2. Anticipated Litigation: _____

Gov. Code § 54956.9 (b): _____

Gov. Code § 54956.9 (c): _____

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

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: _____



Tehachapi-Cummings
County Water District
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CLOSED SESSION ITEM DESCRIPTIONS

(Gov. Code § 54954.5)

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

Description of Property:	APNs 448-051-33-4, 448-051-34-2, 448-052-33-2
Proposed District Negotiator:	Tom Neisler, General Manager
Negotiating Parties:	Stallion Springs Community Services District
Subject of Conference:	Terms, Price and Conditions of Sale or Lease

B. CONFERENCE WITH LEGAL COUNSEL (Gov. Code § 54956.9.)

- Existing Litigation: _____
Name of Case: _____

- Anticipated Litigation: _____
Gov. Code § 54956.9 (b): _____
Gov. Code § 54956.9 (c): _____

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

- Appointment: _____
Title: _____
- Employment: _____
Title: _____
- Performance Evaluation: _____
Title: _____
- Discipline/Dismissal/Release: _____

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

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