

LINDMORE IRRIGATION DISTRICT

MINUTES OF THE BOARD MEETING

May 14, 2019

Roll Call and Acknowledgement of Visitors

President Arnold called the meeting to order @ 2:00 p.m.
Directors Present: Arnold, DePaoli, Milanesio, Brownfield, Reynolds
Directors Absent: None
Others present: Hagman (GM), Bennett (Senior Analyst)

Approval of the Agenda

The agenda for the meeting was presented and the following action was taken:

Motion: To approve the agenda for May 14, 2019 as provided - 1st DePaoli and 2nd Milanesio - Motion passed by unanimous vote of those present

Public Comment

No Public comment provided.

Minutes

The minutes were presented for the April 9, 2019 Regular Board meetings. A correction was removing John Arnold as Chairing the meeting and adding David DePaoli. With those corrections noted, the following action was taken:

Motion: To approve the minutes of the March 12, 2019 Regular Board meeting as presented - 1st Milanesio and 2nd Brownfield - Motion passed by unanimous vote of those present

Prior/New Action Items

A. Report on Prior Board actions/discussions

Operation and Maintenance Report: Hagman reported on staff operations and maintenance efforts. Hagman reported that staff is gaining on the leaks with the help of Vollmer's crew.

Water Supply Report: Hagman reported that the USBR has announced the extension of uncontrolled season (UcS), to June 17th. Hagman has made deals with Lindsay-Strathmore ID (LSID) where LSID gets two AF of Lindmore Class 2 water and Lindmore gets one AF of LSID Class 1 this year.

District Improvement Projects: Hagman presented the status of the currently approved engineering activities in the District (Groundwater Recharge, City of Lindsay Exchanges and JB Rehabilitation projects).

Status of WaterSMART grant: Hagman reported that we will have an award call in July 2019.

Weekend Schedule Change: Staff attempted not being in the office on Saturday and taking the call from home. This did not work. We are back to covering the office on the weekends.

Friant Water Authority Cost Recovery Methodology: Hagman reminded the Board that Friant was working on a way to allocated costs based on all water types. FWA Board has approved for public review a cost allocation methodology now called the “Hagman Method” that says all water will be included in the schedule for allocation. This is consistent with the Board policy that we should pay for FKC AO&M based on the share of benefits we derive from it. However, the FWA is looking to develop a share of costs on the Friant Fix. The District Board’s other policy was that we should not be required to pay for all the Friant Fix. Hagman provided a proposal from an Ad Hoc of FWA leaders that identifies a shift in allocation to District’s north of the subsidence. It was substantial. It worked out to a cost shift to Lindmore of \$2,200,000 dollars over 40 years (all current dollars) to \$2,700,000 over 50 years. The proposal suggested that these dollars be used as recognizing impacts to Lindmore to the extent of those two-dollar amounts. Friant’s CEO (Jason Phillips) wants to know if the Friant Board has any interest in spending its own dollars in the Fix. It was recommended that the Board approve \$50,000,000 (Lindmore’s share would be \$2,040,000). This was consistent with the policy that the District not spend money to fix the problem because the shift will cost us. If we fix it with the dollars saved, we are not out money. After further discussion the following action was taken to amend the Board policy:

Motion: To direct the District representative to Friant to approve spending District dollars up to its share of \$90,000,000 for the Friant Fix - 1st Reynolds and 2nd DePaoli - Motion passed by unanimous vote of those present

Job Descriptions: Hagman noted that he does not have job description developed yet and noted it would likely be in the Fall. This is due to the workload on GSP and other District issues.

B. New Action Items

Resolution 2019-03 - Resolution recognizing the service of Director Adam and thanking his family for his time and condolences to them for their loss: After some discussion the following action was taken:

Motion: To adopt Resolution 2019-03 – Recognizing Ronnie D. Adam for Service on the Board of Directors and Expressing Condolences to His Family - 1st DePaoli and 2nd Brownfield - Motion passed by unanimous vote of those present

Discussion and Direction on staffing agreement with EKGSA: Hagman reminded the Board that they had approved an intergovernmental agreement to Administrate and Executive Direct the EKGSA. This agreement ends on January 31, 2020. EKGSA has begun looking at how it will develop staffing and management into implementation of the ground water sustainability plan (Post January 2020). Hagman wants to know if the Board is interested in extending the agreement as well as expanding the scope of the agreement to include implementation services. After some discussion the Board felt that it would be mutually beneficial for the agreement to be extended and expanded. Hagman was cautioned not to underestimate staffing needs so that either agency suffers. He noted that an engineer and at least a part time, but possibly a full-time, analyst would be sufficient staffing. They directed Hagman to pursue the extended and expanded agreement with EKGSA.

Discussion and direction on the use of the District system and water supply for individual groundwater banking programs: Board members asked what we can do to increase demand or potential grower opportunity for water banking. Hagman noted that we do not know what our overdraft is at this point. From internal calculations, it appears we are not over drafting but will in the future when there is full implementation of the San Joaquin River Restoration Program. The

Board wanted to know what we will do with all the additional Class 2 that we could be using right now. Hagman noted that he was making deals with LSID as noted earlier that converts the non-schedulable Class 2 into schedulable Class 1. He estimates that we will have about 11,000 AF of schedulable water left over at the end of the year. He noted that we could make other deals. But recommended against developing private water banking projects. After some discussion, Hagman was tasked with developing a letter to growers allowing them to “bank” or “recharge” water on their ground using the District system and water supply. The letter should include a price that will reflect all costs of the water, provide a mechanism for accounting and reporting the water banked/recharged, and that protects the District from committing to things that the EKGSA or Kaweah Sub-basin has yet to determine.

Miscellaneous Administrative Items: None were provided.

- C. Review accounts payable listing and request by staff that the Board ratify the payments made to pay the bills:

Motion: To ratify the payments made to pay the bills as follows: A/P Checks (#13499 – 13547) April 10, 2019 to May 14, 2019 in the amount of \$341,080.37, and payroll for April 2019 in the amount of \$73,114.99 for a total disbursement of \$414,195.36. - 1st Brownfield and 2nd Milanesio - Motion passed by unanimous vote of those present

D. Financial Reports

Senior Analyst Bennett presented the financial statements and reports

Reports and Discussion on meetings attended or other water related business reports:

Administrative Report: GM Hagman noted he had nothing to report.

FWA Issues –Director Brownfield and GM Hagman reported open session items of the FWA.

Friant Power Authority (FPA) – No meeting since the last district Board meeting.

East Kaweah Groundwater Sustainability Agency (EKGSA) – Director Milanesio and GM Hagman reported on EKGSA activities.

Report on Other Meetings/Issues: GM Hagman reported on meetings related to the District, water issues, and or the Friant/CVP.

Meetings Attended/to Attend: Meetings were covered.

Closed Session:

- CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
[Government Code Section 54956.9(d)(1)] City of Fresno, et al. v. United States of America, Court of Federal Claims, Case No. 16-1276L
- CONFERENCE WITH LABOR NEGOTIATOR (Hagman) re: MOU with IBEW –
[Government Code Section 54957.6]

The Board opted not to go into closed session but Directed Hagman to begin developing talking points for the negotiations and provide the Board with the current negotiated MOU at the next Board meeting.

Correspondence Report:

None

Other Items to be Discussed per 54954.2 (Items not appearing on the Agenda)

No other items were discussed.

Adjourn

There being no further business to come before the Board, President Arnold asked for a motion to adjourn: Motion to adjourn (Brownfield/Milanesio) carried by unanimous vote of those present. Meeting was adjourned at 4:05 pm.

Michael D. Hagman
District Secretary