

MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE SEMITROPIC
WATER STORAGE DISTRICT AND ITS GSA AND
SEMITROPIC, BUTTONWILLOW, POND-POSO,
AND WILDLIFE IMPROVEMENT DISTRICTS

Convened at 12:37 p.m. on Wednesday, January 10, 2024

The regular meeting of the Board of Directors was called to order by President Waterhouse on Wednesday, January 10, 2024, at 12:37 p.m., at the District office located at 1101 Central Avenue, Wasco, California.

Directors Present: Dan Waterhouse, Todd Tracy, Phil Portwood,
Tim Thomson, Tom Toretta, Jeff Fabbri, David
Daniel

Directors Absent:

Other Participants: General Manager, Jason Gianquinto
District Engineer, Isela Medina
District Controller, Bobby Salinas
District Contract Administrator, Becky Ortiz
District Superintendent, John Lynch
District's Legal Counsel, Steve Torigiani
Larry Rodriguez (GEI)
Greg Allen (Aviva Energy)
Rick Amigh (W.M. Lyles Co)
Dean Florez (Balance)
Floyd Wicks (Agua Via)
Kaho Kong (Valley Water)
Geoff Vanden Heuvel (Milk Producers Council)
Vincent Sorena (Nuveen)
Lindsay Cederquist (Maricopa Orchards)
Chad Carrol (CJ Farmside/Whiteside Dairy)
Nicole Bonner

President Waterhouse opened the meeting and welcomed all guests. Attendance was taken and recorded.

PUBLIC COMMENT

None

ACTION ITEMS

Approval of Agenda

No Action; no changes to the Agenda

Minutes

The Minutes of the Regular Semitropic Water Storage District Board Meeting and Semitropic Water Storage District GSA Board Meeting of December 13, 2023 were presented for approval.

On motion by Director Tracy, seconded by Director Toretta, the Minutes of the Regular Semitropic Water Storage District Board Meeting and Semitropic Water Storage District GSA Board Meeting of December 13, 2023, were approved as presented.

Treasurer's Reports

The Treasurer's reports for December 2023 were presented for review and approval.

On Motion by Director Toretta seconded by Director Portwood, the Treasurer's Reports for December 2023 for Semitropic Water Storage District and Semitropic Improvement District were approved for filing.

Financial Reports

District Controller, Bobby Salinas, reviewed the Financial Reports, including the Income Statement along with the Actual and Projected Cash Flow Report for December 2023.

Accounts Payable

The Cash Disbursement List for January 10, 2024, was presented for review and payment.

On motion by Director Daniel, seconded by Director Fabbri, the Board authorized payment of the Accounts Payable as listed on the January 10, 2024, Disbursement List for Semitropic Water Storage District and Semitropic Improvement District.

A copy of the Disbursement List presenting the payments that were approved is attached hereto as "Exhibit A."

Consider Continuation of Emergency Declaration (Public Contract Code Sect. 22050 (a)(1)) to Address Immediate Replacement of Radial Gates at Designated Check Structures

The District Engineer, Isela Medina, provided a purpose and status update of the Request for Continuation of the Emergency Declaration (Public Contract Code Sect. 22050 (a)(1)) to Address Immediate Replacement of Radial Gates at Designated Check Structures, which was previously declared by the Board of pursuant to resolution. Ms. Medina recommended the Board authorize continuation of the Emergency Declaration, noting that this project should be closed by February.

On motion by Director Tracy, seconded by Director Toretta, the Board authorized the Continuation of Emergency Declaration.

Consider Third Amendment to GEI Task Order 06-2022 for Providing Engineering Support Services during Construction of the P1030 Canal Relocation (HSR UA 2.0)

The District Engineer, Isela Medina, provided an overview of the Third Amendment to GEI Task Order 06-2022 for Providing Engineering Support Services during Construction of the P1030 Canal Relocation (HSR UA 2.0) noting that all costs are reimbursed by High Speed Railroad Authority (HSRA) under the District's master agreement with HSRA.

~~On motion by Director Tracy, seconded by Director Toretta the Board authorized the Third Amendment to GEI Task Order 06-2022 for Providing Engineering Support Services during Construction of the P1030 Canal Relocation (HSR UA 2.0)~~

Consider Request by California Rail Builders for Special Purpose Construction Water for 2024 for the HSR Project

The District Engineer, Isela Medina, provided an overview of the Request for Special Purpose Construction Water. The Board discussed the pricing for Special Purpose Construction and noted that the price has not been adjusted.

On motion by Director Tracy, seconded by Director Thomson the Board authorized the Sale of Special Purpose Construction Water at a price of \$1,500 per acre-feet.

Consider Cost Proposal from Dahl Consultants to Provide Engineering Services for Canal Bridge Load Evaluations

The District Engineer, Isela Medina, provided a background of the Cost Proposal from Dahl Consultants to Provide Engineering Services for 16 bridges that span over the District's main canals. Ms. Medina recommended Board approval, highlighting the need for a capacity study evaluation to determine what the safe loading capacity is and any potential structural improvements.

On motion by Director Toretta, seconded by Director Thomson, the Board

approved Cost Proposal from Dahl Consultants to Provide Engineering Services for Canal Bridge Load Evaluations and authorized the General Manager to enter into a consulting agreement with Dahl Consultants for the services subject to approval as to form by the General Manager and Legal Counsel.

SEMITROPIC WSD GSA UPDATE

At 12:53 p.m., the Board President, Dan Waterhouse declared a meeting of the Semitropic Water Storage District Groundwater Sustainability Agency.

SGMA Updates and Discussion

The General Manager, Jason Gianquinto provided an update on the District's SGMA related activities with specific discussion relative to the 2023 operations and preparation for the annual report for water year 2022-23

The GSA meeting concluded at 1:28 p.m.

CONSULTANT REPORTS

SWRU – Construction Update by W.M. Lyles

W.M. Lyle's Representative, Rick Amigh, provided an overview of W.M. Lyle's progress report which was included with the Board Packet.

Consulting Engineer's Report

Larry Rodriguez from GEI Consultants presented and summarized GEI's "Consulting Engineers Report on Projects for December 2023" for work during December 2023, which was accepted for filing.

Balance Public Relations

Dean Florez of Balance Public Relations provided a presentation which provided an overview of the District's legislative activities over the past year and presented Balance's "2024 Lobbying & Outreach Review".

REDTrac

Greg Allen of REDTrac provided a brief update noting that REDTrac is continuing winter work and upgrading the device health report to be proactive should problems develop.

INFORMATIONAL AND UP-DATE ITEMS

Manager Gianquinto noted that the Staff Report, titled "District Activity During December 2023," dated December 8, 2023, was included with the Board Packet. In

addition, the following items were discussed:

DWR certified the EIR for the Delta Conveyance Project on December 21, 2023 and subsequently approved the project. In certifying the EIR and approving the project, DWR selected the Bethany Reservoir Alignment as the version of the project that would move forward. With approval of the project, DWR will be pursuing necessary State and Federal Permits/Approvals. As previously noted in November, the DCP Design and Construction Authority (DCA) staff informed the State Water Contractors that there is a need for funding associated with additional Planning and Design activities. It is believed the funding is associated with the permitting process for the project. The DCA is also planning to provide updated Project Cost information by the end of Q1 2024 and an updated cost benefit analysis by the end of Q2 2024.

As previously noted, on April 20, 2023, the 2023 SWP Allocation was increased from 75 to 100%.

On December 1, 2023, DWR provided the initial project allocation of 10% for 2024. DWR noted that the low initial allocation is due to the dry start of this water year.

On December 21st, the SWC's provided an operations update which included a suite of model runs relative to the projected water allocations for 2024. The SWP allocation models indicate a wide range of potential outcomes with allocations ranging from 9% to 51% which is indicative of the uncertainty when forecasting the hydrology and reflective of the continued dry conditions. Also of concern is the San Luis Reservoir storage as of the end of December at 368,849 AF (12/31/2023) vs the targeted carryover amount of 796,000 AF which is approximately 428,000 AF short. This indicates that the first water exported from the Delta beginning on January 1, 2024 will be obligated to meeting the 2023 carryover obligation and will not be contributing to the 2024 SWP water supply or Table A amount.

At 2:15 p.m. President Waterhouse adjourned the Regular Board meeting, and it was reported that there was a need for the Board to reconvene in closed session.

Closed Session

At 2:25 p.m. the meeting continued with Closed Session.

Participants included:

Directors Present: Dan Waterhouse, Todd Tracy, Phil Portwood,
Tim Thomson, Tom Toretta, Jeff Fabbri, David
Daniel

Directors Absent:

Other Participants: General Manager, Jason Gianquinto
District Engineer, Isela Medina
District Controller, Bobby Salinas
District Contract Administrator, Becky Ortiz
District's Legal Counsel, Steve Torigiani

During open session, the District's legal counsel, Steve Torigiani, stated that a closed session was needed to discuss various closed session matters, including reporting on the following items of pending and anticipated litigation:

- a. **Conference with legal counsel Re: Litigation (Govt. Code § 54956.9(d))**
 - 1) *Various applications filed for Kings River Water by Semitropic WSD, et al.; Petition for Change of Points of Diversion, etc. (License 11521) filed by Kings River Water Assn.; and related matters and proceedings, before the State Water Resources Control Bd.*
 - 2) *Cal. Dep't of Water Res. v. All Persons Interested, "Complaint for Validation" Re: SWP Contract Extension Amendment, Sacramento Superior Court, Case No. 34-2018-00246183, Third Appellate District, Case No. C096316*
 - 3) *State of CA Dept. of Trans. v. Semitropic WSD, Kern County Superior Court, Case No. BCV-19-100326*
 - 4) *State v. Pond Poso Improvement District of Semitropic Water Storage District, Kern County Superior Court, Case No. BCV-19-100786*
 - 5) *Sierra Club v. California Department of Water Resources (DWR), etc. Re: Consolidated CEQA Case and "Complaint for Validation" Re: Delta Program Revenue Bonds, Sacramento County Superior Court, Case No. 34-2020-80003517*
 - 6) *Rosedale-Rio Bravo Water Storage District v. Kern County Water Agency, et al., Kern County Superior Court, Case No. BCV-21-100418*
 - 7) *KWBA, et al. v. Kern LAFCo, et al., Kern County Sup. Ct., Case No. BCV-21-101310*
 - 8) *Semitropic Water Storage Dist. v. The Dow Chemical Co., et al., Kern County Sup. Ct., Case No. BCV-21-102528*
 - 9) *Macut v. Wabash National, et al., Kern County Superior Court, Case No. BCV-22-100318*
- b. **Conference with Legal Counsel Re: Anticipated Litigation: Possible exposure to litigation pursuant Gov't Code § 54956.9(d)(2).**
 - 1) *Two Potential Cases.*
- c. **Conference with Legal Counsel Re: Anticipated Litigation: Possible initiation of litigation pursuant to Govt. Code § 54956.9(d)(4)**
 - 1) *Two Potential Cases.*
- d. **Conference with Real Property Negotiator (Govt. Code § 54956.8)**

District's Designated Representative: General Manager
Under Negotiation: Price and Terms of Payment

 - 1) *Property: State Water Project Supplies*

- a. *Negotiation With: California Department of Water Resources, Kern County Water Agency and its Member Units, And State Water Contractors*
- 2) *Acquisition of Water Supplies*
 - a. *Negotiation with: Multiple sellers*

At 3:42 p.m. the Board reconvened to open session.

President Waterhouse stated that several items were discussed but no reportable action was taken in closed session.

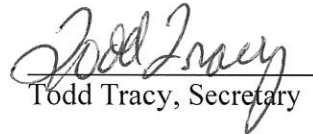
Adjournment

The meeting was adjourned at 3:43 p.m. by President Waterhouse.

APPROVED:



Daniel Waterhouse, President



Todd Tracy, Secretary

Board Day Presentation
SEMITROPIC WATER STORAGE DISTRICT

DISBURSEMENTS TO BE APPROVED AT January 10, 2024 BOARD MEETING

DECEMBER AFTER BOARD MEETING

Special Projects

1	Concepts in Controls, Inc.- SCADA Upgrade Phase 1	\$	79,017.98
2	Dee Jasper and Associates, Inc.- North Pintail Slough Easement work		12,314.17
		\$	<u><u>91,332.15</u></u>

SEMITROPIC IMPROVEMENT DISTRICT

Operation Maintenance

3	Asbury Environmental Services - disposal of used oil	\$	100.00
4	Bonilla, Gabby- safety boots		100.00
5	Buena Vista Water Storage District- water screen repair		13,325.19
6	Buena Vista Groundwater Sustainability Agency- first funding request due for the SGMA CC		29,545.46
7	Clark Pest Control- office maintenance		93.00
8	Clifford & Bradford Insurance Agency- renewal and new Select Surety Bonds		680.00
9	Larry Cross Tire Repair- mower tire repair, computer tire balance on trk #198		116.65
10	De Lage Landen Financial Services, Inc.- office copier (December)		401.17
11	Downs Equipment Rentals, Inc.- P1030 canal clean out and fuel surcharge		1,425.76
12	Frontier Communications - data communication for substation		58.40
13	Gas Company- office utilities for November		370.98
14	Grainger- slings for crane truck		271.31
15	Grapevine MSP Technology Services- work on computer drive		237.07
16	Herc Rentals- wash trailer to clean district ground water pumps		441.73
17	Jeffries Bros., Inc. - gasoline, diesel fuel & petroleum products		8,375.26
18	Jeffries Bros., Inc. - diesel for various pumps supporting recharge		8,270.18
19	Kern Groundwater Authority- general & admin expenses - Initial cash call		5,096.15
20	PG&E Company - ownership line, power charges & utilities on PG&E lines		535,592.24
21	Pitney Bowes- postage meter rental 10/01/2023 - 12/31/2023		122.89
22	A.C. Poettgen- monthly cylinder rental (November 2023)		119.00
23	Praxair- cylinder rental		80.45
24	Rain for Rent - Equip. rental 10B, 12B, 14B Recharge		2,383.61
25	Rain for Rent - 8B & 30B equipment rental SprdGrnd recharge		5,564.78
26	ReadyRefresh by Nestle- water for shop		692.09
27	SBS of Bakersfield, Inc.- office copier black toner and staple cartridge		132.09
28	SBS of Bakersfield, Inc.- office copier (copy charges for December)		419.72
29	Shafter-Wasco Irrigation District- Assesment Fees for Exempt Parcels Year 2023-2024		404.13
30	Sparkle Textile Rental- uniforms, shop mats, & towels rental & office apparel		351.26
31	Torres, Jessie- reimbursement for pesticide license		230.00
32	T&T Truck & Crane Service- install traveling water screen at P-1030 pumping plant		1,369.50
33	unWired Broadband, LLC- internet		59.99
34	Waterbender LLC - scale inhibitor		4,373.90
35	White Cap, L.P.- P-1030 canal concrete liner repair, material to repair P1030 canal reach concrete liner		551.33
	Operating Expense Subtotal	\$	<u><u>621,355.29</u></u>

TOTAL BILLS FOR DECEMBER AFTER BOARD MEETING \$ 712,687.44

EXHIBIT A

JANUARY 2024 BOARD MAILING

SEMITROPIC IMPROVEMENT DISTRICT

Special Projects

36	Downey Brand- professional services Tulare Lake Flood control proj.	\$	53,120.12
37	W.M. Lyles Co- SWRU Amendment 23-RWPF		123,538.00
38	W.M. Lyles Co- Amendment 24-RCP Pipe Relocation		476,504.80
39	McWane Plant and Industrial- Radial Gates Project		285,723.87
	Special Projects Subtotal	\$	<u>938,886.79</u>

Operation Maintenance

40	AC Electric Company- R&M electrical District office lights	\$	7,508.39
41	AT&T- telephone services		686.69
42	Avadine- engineer/analyst - senior & monthly software products license maintenance/support agreement December		950.00
43	Bakersfield Electric Motor Repair, Inc.- North PP Unit #6 electric motor		7,083.54
44	Balance Public Relations- lobbying services		13,500.00
45	Big Brand Tire and Service- 4 wheel alignment on Unit #208		100.00
46	Charter Communications (Spectrum)- internet		309.95
47	Coverall - cleaning services for January		702.00
48	Director Fees- 4th quarter directors fees		980.00
49	Downs Equipment Rentals, Inc.- clean out Lake Esnos		1,586.50
50	Family Water Alliance, Inc.- 2024 patron contributions		500.00
51	FedEx- packages		20.42
52	First American Title Company- CLTA condition of title guarantee, N-S Pintail Slough Easement work		682.00
53	Grainger- parts to repair Hwy 46 Solar Inverters IGBT cooling fan electric motors		136.22
54	Grapevine MSP Technology Services- MSP Agrmnt, Patch Mgmt, Secure offsite data backup, adv.email security (January)		4,167.30
55	Jeffries Bros., Inc. - gasoline, diesel fuel & petroleum products		8,971.66
56	Jeffries Bros., Inc. - diesel for various pumps supporting recharge		1,144.08
57	Jim Burke Ford- vehicle service supplies		24.55
58	Office Depot- office supplies		1,527.68
59	Rain for Rent - 42D & 44D pipeline rental for Dist. Sprd		832.27
60	Rain for Rent - district spreading recharge on PP73 & 6B		9,625.69
61	Richland Chevrolet- supplies		1,388.89
62	Saldana, Eddie- safety boots		100.00
63	SC Site Services, LLC- repeater rental and semi- annual service January - June 2024		1,722.00
64	Sparkle Textile Rental- uniforms, shop mats, & towels rental & office apparel		701.15
65	Sunbelt Rentals- Equipment rental for Gooselake Recovery Proj. & service		1,244.88
66	Sunbelt Rentals- Equipment Rental supporting recharge		1,227.93
67	T&L Battery Co- Hwy 46 substation stand-by 125 volt D.C. power supply		1,803.42
68	Tel-Tec Security Systems, Inc.- shop monitoring services (January)		220.00
69	Verizon Wireless - cell phones substation, solar site, on call, superintendent, dispatch, IT, CFO, & General Manager		627.01
70	Wasco Automotive & Smog- smog inspection on unit #194		60.00
71	Waterbender LLC - scale inhibitor		3,515.09
72	Wells Fargo Business Cards-**		6,022.66
73	Wesco- electrical supplies, landowner electrical service meters, parts to repair Unit #3 starter at Delta PP		6,490.75
74	Zultys, Inc.- monthly charges for phone system (January)		994.95
	Operating Expense Subtotal	\$	<u>87,157.67</u>

Wire Transactions

75	Sun Trust Bank - 2006 Swap Agreement (December)	\$	34,279.80
		\$	<u>34,279.80</u>

TOTAL BILLS FOR JANUARY BOARD MAILING \$ 1,060,324.26

S.W.S.D - Payroll Accounts - transfer of funds from S.I.D. for December payroll \$ 467,284.96

JANUARY 2024 AFTER BOARD MAILING

SEMITROPIC IMPROVEMENT DISTRICT

Special Projects

76	W.M. Lyles Co- SWRU Phase 2 System X	\$	2,181.60
77	W.M. Lyles Co- TCP Treatment Project		30,758.47
78	W.M. Lyles Co- SWRU Amendment 23-RWPF		5,890.00
79	W.M. Lyles Co- Amendment 24-RCP Pipe Relocation		137,088.80
80	Sam Ghilarducci Farms- Severance damages Leonard Parcel LS 1-9		9,695.88
81	Young Wooldridge*		21,164.74
Special Projects Subtotal \$			<u>206,779.49</u>

Operation Maintenance

82	AC Electric Company- R&M Electrical for Gooselake Pole Project	\$	774.00
83	American Refuse- quarterly fee for blue recycling can		90.21
84	The Bakersfield Californian- legal notices		1,015.48
85	Citrix ShareFile- team plan on annual billing (1/4/2024-01/03/2025)		1,391.00
86	Collins, Ron- gardening (December)		500.00
87	De Lage Landen Financial Services, Inc.- office copier (January)		420.12
88 +	Employee years of Service- recognition		3,000.00
89	First American Title Company- CLTA condition of title guarantee, N-S Pintail Slough Easement work		1,500.00
90	Frontier Communications - data communication for substation		27.00
91	Jeffries Bros., Inc. - gasoline, diesel fuel & petroleum products		2,005.71
92	Jeffries Bros., Inc. - diesel for various pumps supporting recharge		2,644.73
93	Kern Water Bank Authority- December 2023-recharge from East (944 af)		8,968.00
94	Kern Water Bank Authority- December 2023 recharge from West (1,304 af)		28,688.00
95	Knight's Pumping & Portable - portable toilet & services		431.95
96	Office Depot- office supplies		8.29
97	PG&E Company - ownership line, power charges & utilities on PG&E lines		10,199.48
98	Rain for Rent - 8B & 30B equipment rental SprdGrnd recharge		5,564.78
99	Sparkle Textile Rental- uniforms, shop mats, & towels rental & office apparel		396.20
100	Strategic Policies LLC- consulting services and expenses for December		5,060.00
101	South Tulare Richgrove Refuse Inc.- trash service for drilling yard		478.91
102	Sunbelt Rentals- Equipment Rental supporting recharge		12,655.90
103	Taylor Equipment & Repair, Inc. - repair 12K CAT motorgrader		5,537.77
104	City of Wasco- water, sewer, and trash services for office (December)		602.47
105	Waterbender LLC - scale inhibitor		4,294.01
Operating Expense Subtotal \$			<u>96,254.01</u>

TOTAL BILLS FOR JANUARY 2024 AFTER BOARD MAILING \$ 303,033.50

TOTAL BILLS FOR DECEMBER 2023 AFTER BOARD MEETING \$ 712,687.44

TOTAL BILLS FOR JANUARY 2024 BOARD MAILING \$ 1,060,324.26

TOTAL BILLS FOR JANUARY 2024 AFTER BOARD MAILING \$ 303,033.50

TOTAL BILLS TO BE APPROVED AT BOARD MEETING \$ 2,076,045.20

- (Additional disbursements or adjusted amounts.)

*(See page 4 for Special Project Funds)

** (See page 4 for breakdown)

****BREAKDOWN OF DISBURSEMENTS FOR January 10, 2024 BOARD MEETING**

72 Wells Fargo Business Cards**

Operating Supplies- Ralph Sanchez	\$	251.95
Operating Supplies - Yesenia Ramirez		1,316.92
Operating Supplies - Bobby Salinas		351.30
Operating Supplies- John Lynch		3,506.03
Travel expenses - Isela Medina		105.51
Fuel & Operating Supplies- Jason Gianquinto		490.95
	\$	<u>6,022.66</u>

81 Young, Wooldridge, LLP - *

Legal fees & expenses	\$	11,569.74
High Speed Rail Project Phase 7 -		6,952.50 R
Tulare Lake Flood Control Project		2,642.50
	\$	<u>21,164.74</u>

G Grant	\$	0.00
R Reimbursed		6,952.50
	\$	<u>6,952.50</u>