

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 12:30 p.m. on Wednesday, July 10, 2024

The regular meeting of the Board of Directors was called to order by President Waterhouse on Wednesday, July 10, 2024, at 12:30 p.m., at the District office located at 1101 Central Avenue, Wasco, California.

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

Directors Absent: None

Other Participants: General Manager, Jason Gianquinto
District Engineer, Isela Medina
District Controller, Bobby Salinas
District Contract Administrator, Becky Ortiz
District Superintendent, John Lynch
District Secretary, Laura Gage
District's Legal Counsel, Steve Torigiani
Larry Rodriguez (GEI)
Greg Allen (Aviva Energy)
Dean Florez (Balance)
Rick Amigh (W.M. Lyles Co)
Kaho Kong (Valley Water)
Chad Carroll (CJ Farmside/Whiteside Dairy)
Douglas Jackson (Water Land Solutions)
Jesus Alonso (Clean Water Action)
Floyd Wicks (Agua Via)
Maddie Reyes (Illume Agriculture)
Oscar Lopez (Wonderful Orchards)
Eduardo Sanchez
Jorge Sanchez
Jessica Zepeda

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

PUBLIC COMMENT

Landowners Eduardo Sanchez and Jorge Sanchez requested the Board of Directors

to consider their easement request. Additional documentation regarding the request was provided by Jessica Zepeda.

ACTION ITEMS

Approval of Agenda

No Action; no changes to the Agenda

Minutes

The Minutes of the Regular Meeting of June 12, 2024, the GSA Meeting June 12, 2024, and the Special Board Meeting/Landowner Workshop June 20, 2024, were presented for approval.

On motion by Director Portwood, seconded by Director Toretta, the Regular Meeting of June 12, 2024, the GSA Meeting June 12, 2024, and the Special Board Meeting/Landowner Workshop June 20, 2024, were approved as presented.

Treasurer's Reports

The Treasurer's reports for May 2024 and June 2024 were presented for review and approval.

On motion by Director Toretta seconded by Director Portwood the Treasurer's Reports for May 2024 and June 2024 for the Semitropic Water Storage District and Semitropic Improvement District were approved for filing.

Financial Report

District Controller, Bobby Salinas, reviewed the Financial Reports, including the Income Statement along with the Actual and Projected Cash Flow Report for June 2024.

Accounts Payable

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

On motion by Director Daniel, seconded by Director Toretta, the Board authorized payment of the Accounts Payable as listed on the July 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 Budget Augmentation for MKN Task order 2021-001 (Amendment 2) to Assist with HSR Conflict Resolutions (HSR UA 2.0)

The District Engineer, Isela Medina, provided an overview of the Budget Augmentation for MKN Task order 2021-001 (Amendment 2) to Assist with HSR Conflict Resolutions (HSR UA 2.0).

On Motion by Director Tracy, seconded by Director Fabbri, the Board adopted the Board approved the Budget Augmentation for MKN Task order 2021-001 (Amendment 2) to Assist with HSR Conflict Resolutions (HSR UA 2.0).

Consider GEI Task Order 4-2024 for Providing Engineering Consulting Services in Support of the Delta Pipeline Improvements Project

The District Engineer, Isela Medina, provided an overview of the GEI Task Order 4-2024 for Providing Engineering Consulting Services in Support of the Delta Pipeline Improvements Project.

On motion by Director Portwood, seconded by Director Daniel, the Board approved the GEI Task Order 4-2024 for Providing Engineering Consulting Services in Support of the Delta Pipeline Improvements Project.

SEMITROPIC WSD GSA UPDATE

At 12:51 p.m., the Board President, Dan Waterhouse declared a meeting of the Semitropic Water Storage District Groundwater Sustainability Agency.

SGMA Updates and Discussion

Larry Rodriguez, of GEI Consultants, provided the Board an update on the District's SGMA related activities.

The GSA meeting concluded at 1:06 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 June 2024", which was accepted for filing

Balance Public Relations

Dean Florez of Balance Public Relations discussed various Legislative matters.

REDtrac

Greg Allen did not have a report this month.

INFORMATIONAL AND UP-DATE ITEMS

The District Controller, Bobby Salinas, provided a finance and accounting Monthly Activity Report.

District Engineer, Isela Medina provided an overview of the District’s Engineer report, highlighting progress on the Subsurface Recharge Project.

At 1:39 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 1:52 p.m. the meeting continued with Closed Session.

Participants included:

- Directors Present: Dan Waterhouse, Tim Thomson, David Daniel, Philip Portwood, Jeff Fabbri, Todd Tracy, Tom Toretta
- Directors Absent: None
- Other Participants: General Manager, Jason Gianquinto
 District Engineer, Isela Medina
 District Controller, Bobby Salinas
 District Contract Administrator, Becky Ortiz
 District Superintendent, John Lynch
 District Secretary, Laura Gage
 District’s Legal Counsel, Steve Torigiani
 Larry Rodriguez (GEI)

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) *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*
 - 3) *Rosedale-Rio Bravo Water Storage District v. Kern County Water Agency, et al., Kern County Superior Court, Case No. BCV-21-100418*
 - 4) *KWBA, et al. v. Kern LAFCo, et al., Kern County Sup. Ct., Case No. BCV-21-101310*
 - 5) *Semitropic Water Storage Dist. v. The Dow Chemical Co., et al., Kern County Sup. Ct., Case No. BCV-21-102528*
 - 6) *Macut v. Wabash National, et al., Kern County Superior Court, Case No. BCV-22-100318*
 - 7) *Sierra Club, et al., v. DWR, Sacramento County Sup. Ct., Case No. 24WM000008. and related cases, challenging DCP EIR*
- 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) *Property: Acquisition of Water Supplies*
 - a. *Negotiation with: Multiple sellers*
 - 3) *Property: Various*
 - a. *Negotiation with: Nuveen*
 - 4) *Property: Acquisition of Water Supply*
 - a. *Negotiation with: Wonderful Nut Orchards LLC*

At 3:01 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 3:02 p.m. by President Waterhouse.

APPROVED:



Daniel Waterhouse, President



Todd Tracy, Secretary

Board Day Presentation
SEMITROPIC WATER STORAGE DISTRICT

DISBURSEMENTS TO BE APPROVED AT July 10, 2024 BOARD MEETING

JUNE AFTER BOARD MEETING

SEMITROPIC IMPROVEMENT DISTRICT

Special Projects

1	Dee Jaspar and Associates, Inc.- North Pintail Slough Easement work	\$	5,543.00
2	GEI Consultants*		104,019.24
Special Projects Subtotal \$			<u>109,562.24</u>

Operation Maintenance

3	Acid Source, Inc- sulfuric acid	\$	18,363.75
4	ACWA Joint Powers Insurance Authority- excess crime coverage 2024-2025		781.00
5	B&B Surplus, Inc.- X-C Booster pumping plant V.F.D. shade structure frame		160.21
6	BSK Analytical Laboratories- water testing for well sampling program		5,482.00
7	Budget Bolt, Inc.- shop supplies		256.01
8	Commworld- remote support		85.00
9	Concepts in Controls, Inc.- V.F.D. for Unit #1 pump at X-C Booster pumping plant		10,968.91
10	Larry Cross Tire Repair- dump truck tire repair		360.47
11	Ferguson Enterprises- ST#2 Hydro supplies		561.11
12	Frontier Communications - data communication for substation		134.53
13	Gas Company- office utilities		21.80
14	Geivet, Doug- safety boots		100.00
15	Jeffries Bros., Inc. - gasoline, diesel fuel & petroleum products		9,411.59
16	Kern Print Services- envelopes and letterhead		1,161.00
17	Kern County Water Agency- Cross Valley Canal estimated billing for O&M & power "stand-by" costs 2024 3rd Qtr.		22,529.72
18	Kern County Water Agency- Pioneer Project KCWA #37 Recon. Of Recovery Power Charges		94.00
19	Kern County Water Agency- 2023 Ag Trust Fund distrib., Article 21 prog., purchased water, Article 14, Lower River Rights, prior year credits		2,835,958.00
20	Kern County Water Agency- 23/24 carryover program, 22/23 carryover program		382,188.00
21	Kern County Water Agency- Pioneer Project O&M 2024 (40%)		175,572.00
22	Kern County Water Agency- 2024 State Water Project deferred amount		29,272.00
23	Knight's Pumping & Portable - portable toilet & services		471.85
24	North West Kern Resource Conservation District- 2024 contribution		10,000.00
25	PG&E Company - ownership line, power charges & utilities on PG&E lines		1,122,689.04
26	Pitney Bowes- postage meter rental 04/01/2024 - 06/30/2024		122.89
27	A.C. Poetgen- monthly cylinder rental (May 2024)		119.00
28	Praxair- cylinder rental		57.70
29	ReadyRefresh by Nestle- water for shop		504.78
30	SBS of Bakersfield, Inc.- office copier (copy charges for June)		713.10
31	South Tulare Richgrove Refuse Inc.- trash service for drilling yard		478.91
32	South Valley Pump Testing, Inc.- pump testing		7,850.00
33	Sparkle Uniform & Linen Service- uniforms, shop mats, & towels rental & office apparel		373.75
34	Sunbelt Rentals- forklift rental for ST#2 Hydro		4,156.76
35	Tel-Tec Security Systems, Inc.- service labor		110.00
36	unWired Broadband, LLC- internet		59.99
37	USCutter, Inc.- operating supplies for vynil machine		557.45
38	Wasco Elks Lodge #2419- landowner workshop		1,000.00
39	Waterbender LLC - scale inhibitor		679.05
40	Wesco- electrical supplies		631.11
Operating Expense Subtotal \$			<u>4,644,036.48</u>

EXHIBIT A

TOTAL BILLS FOR JUNE AFTER BOARD MEETING \$ 4,753,598.72

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

2 GEI Consultants, Inc. - *

General engineering fees, GW Modeling & expenses	\$	1,655.00	
Leonard Ave Intertie Project		11,376.25	G
SGMA Implementation		60,797.97	
IRWMP Expense		797.29	R
Tulare Lake Flood Control Project		5,962.51	
High Speed Rail - UA 2.0		19,773.15	R
Delta Pipeline Conv. Improv. Project		3,172.00	G
Groundwater Monitoring Program		485.07	R
	\$	<u>104,019.24</u>	

G Grant	14,548.25
R Reimbursed	21,055.51
	<u>\$ 35,603.76</u>

JULY 2024 BOARD MAILING

SEMITROPIC IMPROVEMENT DISTRICT

Special Projects

41	Canyon Industries, Inc.- ST#2 Hydro Turbine Inspection	\$	15,850.25
42	Ideal Electric- Hydro ST #2 Generator inspection & service		65,000.00
43	W.M. Lyles Co- SWRU Phase 2 System X		5,068.32
44	McWane Plant and Industrial- Radial Gates for Pond Poso Canal		431,898.02
45	Young Wooldridge*		11,845.19
Special Projects Subtotal \$			<u>529,661.78</u>

Operation Maintenance

46	Acampo Machine Works- mower repair parts	\$	191.68
47	Acid Source, Inc- sulfuric acid		9,210.00
48	American Refuse- trash service for shop		308.54
49	American Refuse- quarterly fee for blue recycling can		94.71
50	Arts Restore Auto Repair- repair driver seat on Unit #5 '10 Expedition		150.00
51	Asbury Environmental Services - used metal oil and gasoline filters		55.00
52	AT&T- telephone services		1,205.35
53	Avadine- engineer/analyst - senior & monthly software products license maintenance/support agreement June		950.00
54	Bakersfield Electric Motor Repair, Inc.- P-384 Booster PP Unit #6 motor		588.00
55	Balance Public Relations- lobbying services		13,500.00
56	Barbich Hooper King Dill Hoffman- 401k plan Audit		8,960.00
57	Big Brand Tire and Service- high speed wheel balance on Unit #203		98.32
58	BSK Analytical Laboratories- water testing for well sampling program		8,288.00
59	Buena Vista Groundwater Sustainability Agency- eleventh funding request due for the SGMA CC		1,050.00
60	Charter Communications (Spectrum)- internet		324.95
61	Clark Pest Control- office maintenance		98.00
62	Coastline Equipment - cutting edges for 140H motorgrader		738.19
63	Coverall - office cleaning services for July		702.00
64	Director Fees- 2nd quarter directors fees		1,400.00
65	Downs Equipment Rentals, Inc.- shop blacktop repair		640.00
66	Ferguson - P-384 Booster PP Unit #6 pump base gasket, material to replace rusted out pipeline to turn out 44D		1,353.15
67	Grainger- engineer supplies, plow bolts to attach cutting edge to John Deere front end loader bucket		204.58
68	Grapevine MSP Technology Services- MSP Agrmnt, Patch Mgmt.,Secure offsite data backup,adv.email security (July)		4,103.30
69	H & A Plumbing Inc. - replace stems and seals for wall-mounted hose bib		200.00
70	Jeffries Bros., Inc. - gasoline, diesel fuel & petroleum products		7,235.91
71	Jim Burke Ford- shop/stock, filters, fuel pump		1,516.14
72	Johnson Controls Fire Protection LP- annual fire extinguisher service		2,439.19
73	Kern County Environmental Health - bus plan med high risk 1 unit and state service chg-oversite, Annual Bus plan fee		1,674.00
74	Kern County Water Agency- 2023 Lower Kern River water		258,005.00
75	Kern County Water Agency- Pioneer Project Recharge January 2024 413 af		16,560.00
76	Kern County Water Agency- Pioneer Project Recovery March 2024 486 AF		37,808.00
77	Kern County Water Agency- 2023-24 IAA Participation Credit and 2024-25 IAA Participation Costs		26,272.00
78	Komin Medical Group- DMV physical/ DOT		100.00
79	McMaster-Carr- pull-behind weed spray rig plumbing hose		458.89
80	Motion Industries, Inc.- parts to repair Miller Hyd cylinders on slant disc valves		1,556.22
81	Office Depot- office supplies		1,380.78
82	PG&E Company - ownership line, power charges & utilities on PG&E lines		58,413.06
83	Richland Chevrolet - Unit #211 radiator & pressure fuel line, #198 battery fuse block, thermostat, trk #203 block, GM stock		2,588.75
84	SC Site Services, LLC. - Semi Annual 2-way radio repeater site rental		1,638.00
85	Shafter Parts and Supply, Inc.- June shop supplies for O&M		1,422.25
86	Shar-Craft Incorporated - P1030 PP Unit #2, Delta PP Unit #2		10,488.79
87	Sparkle Uniform & Linen Service- uniforms, shop mats, & towels rental & office apparel		1,104.38
88	Sunbelt Rentals- Equipment Rental supporting recharge		1,227.93
89	Target Specialty Products- roundup custom & roundup pro		7,383.15
90	Tel-Tec Security Systems, Inc.- service labor & shop monitoring services (July)		220.00
91	T-Mobile - internet access for communication with Solar Site		27.00

SEMITROPIC IMPROVEMENT DISTRICT

Operation Maintenance

92	T&T Truck & Crane Service- crane rental for ST#2 Hydro	2,916.00
93	Verizon Wireless - cell phones substation, solar site, on call, superintendent, dispatch, IT, CFO, & General Manager	1,504.66
94	Waterbender LLC - scale inhibitor	4,793.31
95	Well Rehabilitation Services, Inc.- repair E107 GW well casing	6,125.00
96	Wells Fargo Business Card-**	2,311.16
97	Wesco- starter for CW PP Unit #3, Delta PP Unit #3 (75HP) motor overload relay heaters & starter aux contacts	4,788.39
99	Zultys, Inc.- monthly charges for phone system (July)	997.76
Operating Expense Subtotal \$		<u>517,369.49</u>

Wire Transactions

100	Sun Trust Bank - 2006 Swap Agreement (June)	\$ 37,969.24
		<u>\$ 37,969.24</u>

TOTAL BILLS FOR JULY BOARD MAILING \$ 1,085,000.51

S.W.S.D - Payroll Accounts - transfer of funds from S.I.D. for June payroll \$ 540,076.27

JULY 2024 AFTER BOARD MAILING

SEMITROPIC IMPROVEMENT DISTRICT

Special Projects

101	Ferguson - ST# 2 Hydro repair materials	\$ 954.62
Special Projects Subtotal \$		<u>954.62</u>

Operation Maintenance

102	American Fabrication- New "J" riser for turnout 44D	\$ 2,024.28
103	Barbich Hooper King Dill Hoffman- Audit services	19,400.00
104	Collins, Ron- gardening (June)	600.00
105	De Lage Landen Financial Services, Inc.- office copier (July)	401.17
106	Ferguson - hymax coupling, PVC pipe, PVC pip GXG 90 ELL	1,773.14
107	Kern County Water Agency- Pioneer R01 and R04 Replacement Wells Progress Payment No. 4	113,603.00
108	Office Depot- office supplies	47.61
109	PG&E Company - ownership line, power charges & utilities on PG&E lines	2,753.98
110	RedTrac, LLC.- Well Telem Monitoring (July)	5,354.00
111	Strategic Policies LLC- consulting services and expenses for June	5,060.00
112	City of Wasco- water, sewer, and trash services for office (June)	880.17
Operating Expense Subtotal \$		<u>151,897.35</u>
TOTAL BILLS FOR JULY 2024 AFTER BOARD MAILING \$		<u>152,851.97</u>

TOTAL BILLS FOR JUNE 2024 AFTER BOARD MEETING \$ 4,753,598.72
TOTAL BILLS FOR JULY 2024 BOARD MAILING \$ 1,085,000.51
TOTAL BILLS FOR JULY 2024 AFTER BOARD MAILING \$ 152,851.97
TOTAL BILLS TO BE APPROVED AT BOARD MEETING \$ 5,991,451.20

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

96 Wells Fargo Business Cards**

Operating Supplies - John Lynch	\$	558.44
Operating Supplies- Ralph Sanchez		1,024.58
Operating Supplies- Yesenia Ramirez		610.07
Fuel & Operating Supplies- Jason Gianquinto		118.07
	\$	<u>2,311.16</u>

45 Young, Wooldridge, LLP - *

Legal fees & expenses	\$	9,358.94
High Speed Rail Project Phase 7		1,365.00 R
Subsurface Recharge		227.50 G
Tulare Lake Flood Control Project		893.75
	\$	<u>11,845.19</u>

G Grant	\$	227.50
R Reimbursed		1,365.00
	\$	<u>1,592.50</u>