

Kings River Conservation District

Meeting of the Board of Directors

Date & Time: September 12, 2017 at 12:05 p.m. **Location:** Kings River Conservation District Offices

Called to Order: 12:07 p.m. **Adjourned:** 1:57 p.m.

Facilitator: President Cehrs **Note taker:** Christine Simon

Attendees: **Directors:** David Cehrs, Ph.D. (President), D. Paul Stanfield (Vice President) arrived 12:11 p.m., Mark McKean arrived 12:19 p.m., Norman B. Waldner, Gregory Beberian, Ceil W. Howe Jr.
KRCD Staff: David Merritt, Christine Simon, Paul G. Peschel (Secretary), Randy Shilling, Brian Trevarrow, Cristel Tufenkjian, Casey Creamer, Eric Osterling
Consultants & Others: Steven Haugen (Kings River Water Association)

Absent: **Directors:** Mike Yoshimoto

Minutes

1. Additions or Deletions from the Agenda

Presenter: President Cehrs

Discussion:

None.

Actions:

None.

2. Public Presentations or Comments

Presenter: President Cehrs

Discussion:

None.

Actions:

None.

3. Approval of Minutes of the August 8, 2017 Regular Board Meeting

Presenter: President Cehrs

Discussion:

None.

Actions:

It was moved by Director Howe, seconded by Director Waldner, and carried by Directors Beberian, Cehrs, Howe, and Waldner that the Minutes of the August 8, 2017 Regular Board meeting be approved, as amended.

4. Water Conditions and Weather Conditions**Presenter: Steve Haugen**

Discussion:

The gauges above North Fork are seeing a 50 cfs increase as a result of last night's storm. Kings River Water Association (KRWA) Watermaster Steve Haugen summarized a report on water conditions stating that the total storage available to KRWA units in Pine Flat Reservoir as of 2400 hours on September 10, 2017 was 777,245 acft with a vacant space of 416,755 acft. On that date, the calculated natural inflow to the Reservoir was 926 cfs. Storage is being released from Pine Flat Dam by approximately 3,877 cfs.

Units are expecting to shut off end of September-early October 2017, with some units running water into January 2018. Various units are running water for groundwater recharge efforts and to maintain a minimum flow of 250 cfs at Lemoore Weir, as required by the Kings River Fishery Management Program. A storm greater than what was experienced last night could trigger a flood release between now and February 1, 2018.

Actions:

None.

5. Directors' Reports**Presenter: President Cehrs**

Discussion:

President Cehrs shared information about Director Mike Yoshimoto's status and indicated he expects to be in attendance at the next KRCD Board meeting on October 10, 2017.

President Cehrs shared intel that there may be legislature intent on changing the required sustainability date for Groundwater Sustainability Agencies, as required by the Sustainable Groundwater Management Act of 2014, from 2040 to 2035.

President Cehrs announced that closed session will begin at 1:15 p.m. with a conference call with legal counsel. The agenda will be adjusted as needed to accommodate this time frame.

Actions:

None.

6. Staff Reports**Presenter: Paul Peschel**

Discussion:

Paul Peschel, General Manager; provided updates to supplement his written report to the Board. Peschel highlighted various regulatory and legislative updates of note to the Board. ACWA hosted a webinar on the proposed Agricultural Committee, which is intended to give the agricultural community within ACWA a greater voice and increase agricultural membership. State and Federal legislators worked together to make appointments on water and energy committees, reduce the length of environmental studies and reports so they are more accessible, put an end to "fire borrowing", as well as pass the FY 2017 budget and reauthorize the National Flood Insurance Program (NFIP) until Friday, December 8, 2017. Peschel provided updates on the current status of SB 623 (Monning) Water quality: Safe and Affordable Drinking Water Fund, SB 252 (Dodd) Water wells, SB 49 (De Leon) California Environmental, Public Health, and Workers Defense Act of 2017. The legislative session ends Friday, September 15, 2017. Peschel shared the findings of the Department of Water

Resource's report on infrastructure and KRCD's letters of support for Brent Hastey as a nominee for ACWA President and to reappoint Karl Longley as chair of the Central Valley Water Quality Board.

David Merritt, Deputy General Manager; presented information regarding the Jeff L. Taylor Power Plant at Pine Flat Dam, flood control projects, environmental program progress and updates on the Terranova project. The Jeff L. Taylor Power Plant at Pine Flat Dam is operating under an approved temporary permit since September 3, 2017. Merritt announced that this water year will be the highest generation year in history at Pine Flat Dam. The Board discussed the benefits of using a temporary permit instead of applying for a larger permit as well as California's energy market, the benefits of KRCD's contract with DWR and the United States Army Corps of Engineers (USACE), and well as future opportunities.

Flood Maintenance staff is working with the USACE on the PL84-99 application submittal for the South Fork Levee Failure that occurred in the June 2017 timeframe. The USACE has performed one onsite visit to date and we continue to discuss process and timing of the rehabilitation process. Additionally, Zalda Pump 5 resulted in \$20,000 in costs due to landowner damage; KRCD is receiving an insurance settlement for \$18,000. Frank Pedroza was hired to fill a vacant position within the Flood O&M team. Frank was supporting KRCD as a temporary staff member during the flood season.

The Fishery Management Program issued a Request for Proposal for "Lower Kings River Fishery Habitat Characterization and Identification of Restoration Opportunities" based on a prior Green LiDAR study. The Technical Steering Committee is working through comments from the Public Advisory Group pertaining to the Draft Supplemental Stocking Program created to support the Lower Kings River (below Pine Flat Dam). Heidi Isner, Environmental Programs Manager, continues with the support of the public (fly fisherman), to perform angler surveys along the river. Blood samples of the caught rainbow trout are drawn and analyzed, based on the results indicating the captured fish are diploid, we continue to show success of the incubator program.

We are expecting to fully execute the "McMullin On Farm Flood Water Capture and Recharge Project" agreements between James Irrigation District and RD1606 the week of September 18th.

Cristel Tufenkjian, Manager of Community & Public Relations; reported to the Board that she is drafting McMullin GSA, North Fork King GSA, and South Fork Kings GSA stakeholder outreach (Public Engagement and Public Outreach) plans as part of SGMA. In addition, an educational video for the North Fork Kings GSA was published on www.northforkkings.org and is intended to educate the community on the role of GSAs, SGMA and to solicit public involvement. Tufenkjian is working with Self-Help Enterprises, who will translate the video into Spanish. Lastly, Tufenkjian is updating KRCD website.

Casey Creamer, Manager of Water Quality; provided the updates to the Board regarding SWRCB fees and enforcement. The Kings River Water Quality Coalition will send an update to their members regarding fees and expect more Enforcement letters to come from SWRCB for members who are not in compliance. Despite Coalition outreach efforts to its members, the Central Valley Water Quality Regional Board is notifying 1,500 members who did not submit the necessary information for Farm Evaluations Surveys and Nitrogen Summary Reports to the Coalition with new deadlines to provide this information; this is the first wave of enforcement from this order. As mentioned by Peschel, SB 623 (Monning) is now a two-

year bill. If not passed, nitrate issues under Enforcement will need to be dealt with separately.

Eric Osterling, Manager of Water Resources; reported on GSA and GSP developments. Coordination agreements are under review in both the Kings and Tulare Lake subbasins in order to apply for Prop 1 Planning Grant funding. Mid-Kings in Tulare Lake Subbasin and North Fork Kings in Kings Subbasin will serve as the applicants and administrators of the grants. Grant applications due November 10, 2017. Preparations for Prop 218 and/or 26 elections are underway and staff members are encouraged by recent Prop 218 success from another GSA in the Kings River region. Consultants are determining expenses and will propose a financing strategy for both the North Fork Kings and South Fork Kings GSAs.

Actions:

None.

7. Budget Augmentation

Presenter: Randy Shilling

Discussion:

Randy Shilling, Deputy General Manager of Business Operations; presented information to Board regarding budget augmentation requests for two vehicles for the Flood Control staff in Riverdale, a fence around the vacant lot next to KRCD offices, in the hopes it will prevent trespassing and littering issues, and to increase licenses and fees expense in the Pine Flat fund to provide for the fees related to the extension of the water board (SWRCB) license.

Actions:

Approved: Director Howe motioned, Director Beberian seconded, and it was unanimously carried by Directors Beberian, Cehrs, Howe, McKean, Stanfield and Waldner to approve adjustments to the Fiscal Year 2017-2018 Budget, authorizing staff to investigate costs of building the fence and negotiations with the neighbor and authorizing expenditure up to \$10,000 to build a fence for KRCD's property, the purchase of two trucks not to exceed \$100,000, and increasing licenses and fees expense by \$77,000 for the SWRCB application fee.

8. Closed Session

Presenter: President Cehrs

Discussion:

The Board adjourned to Closed Session pursuant to Government Code Section 54956.9(d)(4) to confer with its Legal Counsel regarding the initiation of one matter of potential litigation.

Actions:

Approved: Director Howe motioned, Vice President Stanfield seconded, and it was unanimously approved by Directors Beberian, Cehrs, Howe, McKean, Stanfield and Waldner that KRCD staff further investigate EIR comments.

9. Authorization to Purchase Cross Creek Flood Control District Warrant(s)

Presenter: Randy Shilling

Discussion:

Shilling introduced an opportunity to invest in Cross Creek Flood Control District (CCFCD) warrants. The warrants are secured by property taxes payable to CCFCD, which held a successful Prop 218 election in August. The warrants will pay 2.7% simple interest

and will be paid back by December 31, 2020. Shilling explained that KRCD General Counsel had researched this investment and found that the Government Code permits KRCD to invest. The Board discussed the nature of the emergency levee repair project CCFCD conducted and the benefits of approaching this issue by issuing warrants instead of bonds as well as any detriments.

Actions:

Approved: Director Howe motioned, Director McKean seconded, and it was carried by Directors Cehrs, Howe, McKean, Stanfield and Waldner authorize investment in the CCFCD Registered Warrants in an amount not-to-exceed 10% of our available funds or approximately \$2 million. Director Beberian opposed.

9. Financial Report: Budget Expenditures

Presenter: Randy Shilling

Discussion:

Shilling reported that the winning bidder on the two Dodge Ranger trucks has not yet paid. Staff will wait a few more days before relisting on www.govdeals.com.

While reviewing the Financial Report, Shilling drew the Board's attention to Grant revenue and expenses line items, explaining that payments for the Terranova Project easements are expected to be made soon, and explaining that the expense line for the SWRCB permit, approved by the Board as part of Agenda Item #7, will be in the budget numbers at the next Board meeting.

Actions:

None.

9b. Review of Financial Statements

Presenter: Randy Shilling

Discussion:

Review of the August 2017 schedule of Disbursements and Current Accounts Payable was tabled for the October 10, 2017 meeting.

Actions:

None.

Other Items for Discussion

Presenter: President Cehrs

Discussion:

None.

Actions:

None.

Submitted by:

Paul G. Peschel
Board Secretary

approved on October 10, 2017

Board President