

Minutes of the Regular Meeting of the Board of Directors of the Kings River Conservation District (District) held December 11, 2018 at the District offices.

President Cehrs called the meeting to order at 1:30 P.M.

**DIRECTORS PRESENT**

David Cehrs, President  
Paul Stanfield, Vice President  
Ceil W. Howe Jr.  
Mark C. McKean  
Gregory Beberian  
Chris Kapheim

**DIRECTORS ABSENT**

Mike Yoshimoto

**OTHERS PRESENT**

KRCD Staff

Paul Peschel  
Sandra Soares  
David Merritt  
Randy Shilling  
Brian Trevarrow  
Cristel Tufenkjian  
Charlotte Gallock

Consultants & Others

Matt Meadows, Kings River Water Association  
Todd Flanagan, North American Weather Consultants  
Osvaldo Gutierrez, CPA, Price, Paige and Company

**ADDITIONS TO OR DELETIONS FROM THE AGENDA**

None

**PUBLIC PRESENTATIONS**

None

**APPROVAL OF MINUTES**

It was moved by Vice President Stanfield, and seconded by Director Beberian and unanimously carried that the Minutes of the November 13, 2018 Regular Board meeting be approved, as presented.

*(AYES: President Cehrs, Vice-President Stanfield, Directors McKean, Howe, Beberian, Kapheim-NOES: None - ABSENT: Yoshimoto)*

**APPOINTMENT OF OFFICERS**

President Cehrs reported, pursuant to Section 59-9 and 59-10 of the Kings River Conservation District Act, the Board of Directors is required to meet and organize as a Board at the first Regular meeting in December after each general District election and shall choose a President and Vice President to serve for a two year term.

President: President Cehrs then called for nominations for appointment to the office of President. It was moved by Director Howe, seconded by Director McKean and unanimously carried that Vice President Paul Stanfield be appointed to serve as President for the next two years.

Vice President: President Cehrs called for nominations for appointment to the office of Vice President. It was moved by Director McKean, seconded by Director Howe and unanimously carried that Director Gregory Beberian be appointed to serve as Vice President for the next two years.

*(AYES: President Cehrs, Vice-President Stanfield, Directors McKean, Howe, Beberian, Kapheim-NOES: None - ABSENT: Yoshimoto)*

### ANNUAL AUDIT REPORT

Randy Shilling, Deputy General Manager of Business Operations, introduced Osvaldo Gutierrez from Price, Paige & Company. Mr. Gutierrez presented an overview of the results of the independent audit for the fiscal year ended June 30, 2018. Mr. Gutierrez reported a "clean" audit opinion was issued and that the financial statements are fairly stated in accordance with Generally Accepted Accounting Principles as determined by the Government Accounting Standards Board.

### WATER CONDITIONS

Water Conditions: Matt Meadows, Kings River Water Association (KRWA), summarized a report on water conditions stating total storage available to KRWA units in Pine Flat Reservoir (Reservoir) as of 2400 hours on December 9, 2018 was 333,813 AF with the Reservoir having a vacant space of 860,187 AF. On that date, the calculated natural inflow to the Reservoir was 491 cfs.

Mr. Meadows also presented the snow sensor readings taken from the Kings watershed on December 9, 2018 as follows:

<b>Current Snow Sensor Readings as of April 6, 2014</b>	<b>ELEVATION</b>	<b>WATER CONTENT (INCHES)</b>	<b>APRIL 1 AVERAGE (INCHES)</b>	<b>PERCENT APRIL 1 AVERAGE</b>
<b>SENSOR</b>				
Big Meadows	7600	9.7	25.9	37.5%
West Woodchuck	8800	5.3	32.8	16.2%
Upper Burnt	9700	7.5	34.6	21.7%
Mitchell Meadow	9900	9.9	32.9	30.1%
State Lakes	10300	7.9	29.0	27.2%
Black Cap Basin	10300	N/R		-
Charlotte Lakes	10400	N/R		-
Bishop Pass	11200	3.7	35.6	10.4
<b>Snow Sensor Average</b>		<b>7.3</b>	<b>31.8</b>	<b>23.1%</b>

Weather Conditions: Todd Flanagan, North American Weather Consultants, presented an overview of the recent weather conditions and the 2018-2019 Precipitation Augmentation Program reporting November was active with several storms moving through the State and temperatures were above normal for the month.

Mr. Flanagan's report also included the following data:

#### FRESNO SEASONAL PRECIPITATION INFORMATION

Precipitation 2017-2018 season (7/1/17 – 6/30/18)	6.89"
Current precipitation season (7/1/18 – 11/30/18)	1.77" (-0.12")
Normal season precipitation (7/1 – 11/30)	1.89"
Percent of average	93.7

#### WATERSHED PRECIPITATION AMOUNTS

Station	Nov (avg)	% of Normal
Balch Camp	5.03" (3.16")	159.2
Grant Grove	7.20" (4.34")	165.9
Wishon Dam	7.78" (3.16")	246.2

#### DIRECTORS' REPORTS

President Paul Stanfield welcomed Chris Kapheim to the board of directors. Director Kapheim will be serving as the director for Division 1 for the next four (4) years. President Stanfield also noted that the KRCD committees and agency representation positions will be assigned at the January board meeting.

Director Mark McKean reported he attended the ACWA conference on November 26-30 in San Diego. Mr. McKean attended SGMA and water quality sessions at the conference.

Director David Cehrs reported he also attended the ACWA conference. He reported on the AG Groundwater Management Committee session.

Director Gregory Beberian also reported he attended ACWA.

#### STATUS REPORTS AND PRESENTATIONS

General Manager: Paul Peschel, General Manager, reported that Proposition 3 failed to pass, as of December 3, 2018, the bond has moved into the Secretary of State's "Too Close To Call" category.

Mr. Peschel also reported that at ACWA, Cindy Tuck talked about the water tax and they are looking to create a trust fund to avoid a direct tax on the water.

Mr. Peschel reported that he will be meeting with Kristi Moore early in January of 2019 regarding potential funding opportunities for some of our projects.

External Affairs: Cristel Tufenkjian, Director of External Affairs, reported the External Affairs Department is developing tools to use for SGMA outreach. The GSA's that KRCD is providing support to will be able to use the tools. Ms. Tufenkjian also reported that a Water Budget video is posted to the Kings River Region SGMA Portal.

Water Quality: Charlotte Gallock, Manager of Water Resources, reported that the Central Valley Regional Water Quality Board proposed revisions to the Tulare Lake general order. Written comments must be received by December 21<sup>st</sup>. The Coalition will be submitting comments. Public hearing is scheduled for February 7<sup>th</sup> and 8<sup>th</sup> of 2019 in Rancho Cordova.

Ms. Gallock reported that CV-SALTS will host two workshops, one will take place on December 12<sup>th</sup> at 10:00 – 12:00 p.m. at the Stanislaus County Harvest Hall in Modesto and the second on December 13<sup>th</sup> from 10:00 -12:00 p.m. at the Energy Education Center in Tulare.

Ms. Gallock also reported that the Outreach Activities has scheduled several workshops. A workshop is scheduled for December 13<sup>th</sup> in Easton and several in January at Selma, Riverdale, Dinuba and Kerman.

Ms. Gallock reported the membership reports are due March 1<sup>st</sup> for the 2018 Crop Year. Staff are working with the web designers to incorporate changes from the East San Joaquin Petition and the changes will be implemented on the 2019 crop year.

Ms. Gallock reported the Isotope Study received data on Phase 2 samples. Staff are reviewing the data and working with consultants to develop the Phase 2 report.

Power Resources: David Merritt, Deputy General Manager, reported that Pine Flat is going through annual maintenance. During inspection, coating issues at Unit 3 penstock and tailrace section were found and will be going through repairs first quarter 2019.

Flood Operations and Maintenance: Mr. Merritt also reported progress on the McMullin On-Farm Flood Water Project. Digging has begun from the 500 CSF headwork to the Terranova property line. Mr. Merritt also reported that both syphons have been finished for the JID Lassen Canal and the Coalinga Canal.

Mr. Merritt reported that the South Fork levee repair has been completed by the U.S. Army Corps of Engineers from the breach that occurred in 2017.

Mr. Merritt reported KRCD was awarded a grant contract for the Statewide Flood Emergency Response Grant Program.

Business Operations: Randy Shilling, Deputy General Manager of Business Operations, reported that KRCD has received a couple of bids on the house demolition on the Parlier property. The current farm renter has agreed verbally on a new lease.

Mr. Shilling reported that the JPIA board is forming a "captive insurance company" in the state of Utah. Essentially this will be a way to invest JPIA funds without the restrictions of the California Government Code.

### **APPOINTMENT OF GENERAL MANAGER AND DISTRICT OFFICERS**

President Stanfield reported pursuant to Section 59-12 of the Kings River Conservation District Act, the Board shall appoint a general manager, a secretary and an auditor.

President Stanfield reported further the Board historically reaffirms its appointment of General Manager, Secretary and Auditor positions in conjunction with its biennial appointment of Board Officers. President Stanfield requested the Board reaffirm the appointments of Paul G. Peschel as General Manager and District Secretary, Randy Shilling as Auditor, pursuant to Section 59-12 of the District Act.

It was moved by Director Cehrs, seconded by Director McKean and unanimously carried to reaffirm the appointments of Paul G. Peschel as General Manager and District Secretary, and Randy Shilling as Auditor, pursuant to Section 59-12 of the District Act.

**RESOLUTION NO. 18-06 AUTHORIZING NEW BANK SIGNATORIES**

It was moved by Director Howe and seconded by Director McKean and unanimously carried approving Resolution No. 18-06 authorizing certain Directors and/or Officers to sign on the District Bank Accounts.

*(AYES: President Stanfield, Vice President Beberian, Directors Cehrs, Howe, McKean, Kapheim, - NOES: None - ABSENT Yoshimoto:)*

**RESOLUTION NO. 18-07 DISTRICT PENSION PLAN**

It was moved by Director Howe and seconded by Director McKean and unanimously carried approving Resolution No. 18-07 authorizing certain Directors and/or Officers as Trustees on the District Pension Plan.

*(AYES: President Stanfield, Vice President Beberian, Directors Cehrs, Howe, McKean, Kapheim, - NOES: None - ABSENT Yoshimoto:)*

**FINANCIAL REPORT**

Randy Shilling, Deputy General Manager of Business Operations, presented an overview of the Budget-to-Actual Comparison reports for the period ending November 30, 2018.

It was moved by President Stanfield, and seconded by Director Howe and unanimously carried, bills in the amount of \$1,434,140.53 as presented in the schedule of Disbursements and Current Accounts Payable, were approved and ordered paid.

*(AYES: President Stanfield, Vice President Beberian, Directors Cehrs, Howe, McKean, Kapheim, - NOES: None - ABSENT Yoshimoto:)*

**ADJOURNMENT**

There being no further business, President Cehrs adjourned the meeting at 3:21 P.M.

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Paul G. Peschel  
Board Secretary

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Approved on January 8, 2019  
Board President

BEFORE THE BOARD OF DIRECTORS  
OF THE KINGS RIVER CONSERVATION DISTRICT  
FRESNO, CALIFORNIA

**RESOLUTION NO. 18-06**

**AUTHORIZATION OF BANK SIGNATORIES and  
AUTHORIZATION FOR TRANSFER OF FUNDS**

**BE IT RESOLVED**, that this District maintains an account or accounts with JP MORGAN CHASE BANK ("BANK") and Investment Accounts with JP MORGAN SECURITIES and the LOCAL AGENCY INVESTMENT FUND ("LAIF") and the FRESNO COUNTY INVESTMENT POOL ("POOL") and the Investment Trust of California ("CALTRUST"), that the President or Vice President or General Manager/Secretary or Auditor, or their successors in office, are hereby authorized to establish such accounts upon such terms as may be agreed upon with the BANK, LAIF, POOL and the CALTRUST and that effective December 11, 2018, the following persons, D. Paul Stanfield President; Gregory Beberian, Vice President; Paul G. Peschel, General Manager/Secretary and, Randy Shilling, Auditor be and they are authorized as President or Vice President, and General Manager/Secretary or Auditor, or their successors in office, to withdraw funds from said accounts by checks, drafts or other items, for and on behalf of this District.

**AUTHORIZED PERSONS**

<b><u>Name of Director, Officer or Employee of Corporation or Agent</u></b>	<b><u>Title / Position</u></b>	<b><u>Specimen Signature</u></b>
<u>D. Paul Stanfield</u>	<u>President</u>	_____
<u>Gregory Beberian</u>	<u>Vice President</u>	_____
<u>Paul G. Peschel</u>	<u>General Manager</u>	_____
<u>Randy Shilling</u>	<u>Auditor</u>	_____

**BE IT FURTHER RESOLVED**, that said persons are also authorized to request transfers (including wire transfers) of funds from or to those accounts held in the BANK, JP MORGAN SECURITIES, LAIF, POOL or the CALTRUST, from time to time for and on behalf of the District.

**BE IT FURTHER RESOLVED**, that the authority hereby conferred shall be effective December 11, 2018, and shall remain in force until revocation thereof by sealed notification of such action by the Board of Directors of this District is received by said BANK, JP MORGAN SECURITIES, LAIF, POOL and CALTRUST at the office where such accounts are maintained.

**BE IT FURTHER RESOLVED**, that the JP MORGAN SECURITIES form #4866, Corporate Authority Certificate and Trading Authorization for Brokerage Accounts dated December 11, 2018, is attached to this Resolution and approved with and made part of this Resolution.

**BE IT FURTHER RESOLVED**, that Resolutions 16-04 and 18-02, of the Board of Directors of the Kings River Conservation District, dated April 12, 2016, and June 12, 2018, respectively, are revoked effective December 11, 2018.

**THE FOREGOING RESOLUTION** was passed and adopted by the Board of Directors of the Kings River Conservation District this 11th day of December 2018, by the following vote:

AYES: President Stanfield, Vice-President Gregory Beberian, Directors Howe, McKean, Cehrs, and Kapheim

NOES: None

ABSENT: Director Yoshimoto

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President

ATTEST: \_\_\_\_\_  
Secretary

BEFORE THE BOARD OF DIRECTORS  
OF THE KINGS RIVER CONSERVATION DISTRICT  
FRESNO, CALIFORNIA

**RESOLUTION NO. 18-07**

**DISRICT PENSION PLAN TRUSTEES**

**BE IT RESOLVED**, that David Cehrs be relieved of his duties as Trustee of the Kings River Conservation District Pension Plan, and

**BE IT FURTHER RESOLVED**, that D. Paul Stanfield, President, Gregory Beberian, Vice President, and Randy Shilling, Deputy General Manager of Business Operations be hereby named and appointed Trustees of the Kings River Conservation District Pension Plan; and

**BE IT FURTHER RESOLVED**, that Resolution No. 14-07 of the Board of Directors of the Kings River Conservation District, dated December 9, 2014, is revoked effective December 11, 2018.

**THE FOREGOING RESOLUTION** was passed and adopted by the Board of Directors of the Kings River Conservation District this 11th day of December 2018, by the following vote:

AYES: President Stanfield, Vice-President Beberian, Directors Howe, McKean, Cehrs, and Kapheim

NOES: None

ABSENT: Director Yoshimoto

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President

ATTEST:

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Secretary



SECRETARY'S CERTIFICATE

I, Paul G. Peschel, Secretary of Kings River Conservation District, hereby certify that the foregoing is a full, true and correct copy of a Resolution duly adopted at a regular meeting of the Board of Directors of said District duly and regularly held at the regular meeting place thereof on the 11th day of December 2018, of which meeting all of the members of said Board of Directors had due notice and at which a majority thereof were present.

WITNESS my hand and the seal of Kings River Conservation District this 11th day of December 2018.

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Secretary

(Seal)