

Minutes

KINGS RIVER CONSERVATION DISTRICT
Board of Directors Meeting

Date: March 12, 2019 – Tuesday

Time: 1:30 P.M.

Location: 4886 E. Jensen Avenue, Fresno

President Stanfield called the meeting to order at 1:31 P.M.

DIRECTORS PRESENT

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

DIRECTORS ABSENT

None.

OTHERS PRESENT

KRCD Staff

Paul Peschel
Corey McLaughlin
David Merritt
Randy Shilling
Brian Trevarrow
Cristel Tufenkjian
Charlotte Gallock
Eric Athorp

Consultants & Others

Steve Haugen, Kings River Water Association
Matt Meadows, Kings River Water Association
Todd Flanagan, North American Weather Consultants
Robert Greenfield, JPIA
Don Wright, Reporter

ROUTINE OPENING BUSINESS

1. Additions to or Deletions from the Agenda
 - a. None.
2. Public Presentations or Comments
 - a. Robert Greenfield from JPIA presented a check to the Board as a refund for the unused portion of KRCD's payments for the programs KRCD participates in. The refund check was in the amount of \$52,565.00.
3. Approval of Minutes of the February 12, 2019 Regular Board Meeting
 - a. It was moved by Director Howe, seconded by Director McKean, and unanimously carried, that the minutes of the February 12, 2019 Regular Board Meeting be approved as presented.

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

REPORTS

4. Water and Weather Conditions (Steve Haugen, Todd Flanagan)
 - a. The Kings River Watermaster, Steve Haugen, reported on the water storage on the Kings River system, inflow and outflow at Pine Flat Reservoir, and the available flood control space on the system. In addition to the written report, Mr. Haugen reported that the flood releases earlier in March accomplished their goal and all went well. PG&E's storage is at 67,000acf, and trying to get down to 40,000acf by end of March. Empty space around 526,000acf right now in Pine Flat. Flood release was at 4,200cfs on 3/11 and is expected to a couple of hundred cfs per day, with an expected minimum of 2,500cfs. This could followed by a possible uptick depending on weather. Over half of February had recorded precipitation at Pine Flat, and 7 out of 10 days in March have had precipitation at Pine Flat to date. In the area at and above 9,000ft, the water content is about 10in below the 2017 numbers, and is currently at approximately 160% of average April 1 water content numbers. Below 9,000ft, water content is at approximately 180% of April 1 water content numbers. Another flood release is possible through April, and then again at reservoir peak in June and July.
 - b. Todd Flanagan, a representative from North American Weather Consultants, reported on the Kings River Precipitation Program.
 - i. In addition to his written report, Mr. Flanagan reported that, any further precipitation in March, for most areas in California, is going to be a bonus; most areas have already exceeded their normal March levels.

5. Directors' Reports
 - a. Director McKean reported briefly on the legislative Staff briefing (Central Valley Water Briefing) held March 1.
 - b. Director Cehrs reported briefly that there are about \$11.5M dollars available in IRWMP grant funding, but that \$80M dollars' worth of requests are anticipated.
 - c. President Stanfield reported briefly on a Gualco Group reception he attended, with the topic being Gov. Newsom's State of the State address.

6. Staff Reports

The Board received reports on the prior month's activities from members of the District management staff:

 - a. Paul Peschel, General Manager/Secretary
 - i. Mr. Peschel reported that Kristi Moore continues to work on a possible Washington, D.C.. There are a number of potential water resource and related funding opportunities at both the Federal and State level that will be explored as part of this effort. Mr. Peschel further reported that the Railway Act is seeking to move money from the High Speed Project to water resource projects. Fresno is looking at changing all voting to mail-in ballots. The State Water Resources Control Board is proposing substantial increases in water quality and water rights fees.
 - b. Cristel Tufenkjian, Director of External Affairs
 - i. In addition to her written report, Ms. Tufenkjian reported that 8 legislators in our area had staff present at the March 1 Central Valley Water Briefing. Key info from the post-briefing survey were that the attendees appreciated interacting with experts, found everything presented in an easy-to-understand way, and left with a better understanding of the Kings River Conservation District.
 - c. Charlotte Gallock, Director of Water Resources

- i. In addition to her written report, Ms. Gallock reported that the revisions of the Tulare Lake General Order were passed by the Regional Water Quality Control Board. However, the Leadership Council has filed a petition which will initiate another legal process after the East San Joaquin General Order petition process is complete.
- ii. The management zone pilot study held a second meeting at the Alta Irrigation District, where they discussed how to best make sure all local interests are represented and a stakeholder notification process.
- iii. Farm Evaluation and Nitrogen Summary Reports were due March 1; 67% of members required to complete the Farm Evaluation report have done so. 58% of the nitrogen reporters have completed their required filing.
- iv. IRWIMP: \$11M in funding is up for grabs. The Upper Kings Basin Water Authority project scoring committee reviewed 11 pre-applications submitted, and 10 out of the 11 were recharge projects. These totaled about \$30M; nearly three times the available amount. There is separate money set aside for DACs.
- d. David Merritt, Deputy General Manager
 - i. In addition to his written report, Mr. Merritt reported that McMullin Phase 2 submitted into the current IRWMP grant application process. Total grant funding available for the basin is \$11M, McMullin Phase 1 exceeded that value.
 - ii. The Pine Flat Unit 3 draft-tube coating replacement has been completed and the unit is in service.
 - iii. The afternoon of March 12 saw Pine Flat's energy output at 119 Megawatts.
 - iv. CDWR notified Mr. Merritt that Flood-MAR is interested in the Terranova Project and that they want to send people to see it up close, with the goal of using it as an example for the future. The Terranova Project will not be taking water this year due to ongoing construction, but will be ready in 2020.
 - v. Flood Project: the approved purchase of Wheel Loader at last Board meeting arrived and is already in use.
 - vi. Fish and Wildlife has hired three new Game Wardens, one of them also cover the Lower Kings River on a more routine basis and feedback from the public has already been positive. .
- e. Randy Shilling, Deputy General Manager of Business Operations
 - i. Deferred until Agenda Item 11.

ACTION ITEMS

7. Appointment of Auditor and Assistant Secretary

- a. It was moved by Director Cehrs, seconded by Director Yoshimoto, and unanimously carried that Mr. Brian Trevarrow be appointed as Auditor, and that Mr. Corey McLaughlin be appointed as Assistant Secretary.

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

8. Resolution 19-01 Authorizing Bank Signatories

- a. It was moved by Director Howe, seconded by Director McKean, and unanimously carried that the Board adopt Resolution No. 19-01 to: revoke Resolution No. 18-06, as well as to appoint the Board President – D. Paul Stanfield, Vice-President – Gregory H. Beberian, General Manager/Secretary – Paul G. Peschel, and Auditor – Brian Trevarrow – and their successors – as signatories on, and able to make transfers to and from, and to create and manage bank accounts and/or investment accounts with:

JP Morgan Chase Bank, Local Agency Investment Fund, Fresno County Investment Pool, and the Investment Trust of California.

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

9. Resolution 19-02 District Pension Plan

- a. It was moved by Director Howe, seconded by Director Cehrs, and unanimously carried that the Board adopt Resolution 19-02, such that Resolution No. 18-07 be revoked; that Randy Shilling be relieved from his duties as a Trustee of the Kings River Conservation District Pension Plan (Plan); and that the following be named as Trustees of the Plan: D. Paul Stanfield, Board President; Gregory H. Beberian, Vice President; and Brian Trevarrow, Auditor/Deputy General Manager/Chief Financial Officer.

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

10. Appointment of District's Designated Labor Negotiators

- a. It was moved by Director Howe, seconded by Director Cehrs, and unanimously carried that the Board appoint Deputy General Manager/CFO Brian Trevarrow, Deputy General Manager/COO David Merritt, and Human Resources Manager Stacy Wright as the District's Designated Labor Negotiators.

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

11. Resolution 19-03 in Recognition of Randy Shilling's Fifteen (15) Years of Service

- a. It was moved by Director Cehrs, seconded by Director McKean, and unanimously carried that the Board adopt Resolution No. 19-03 in Recognition of Randy Shilling's Fifteen (15) Years of Service, on the occasion of his Retirement effective March 29, 2019.

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

12. Financial Report

a. Budget Expenditures (Randy Shilling)

The Auditor presented expenditure to budget comparison reports for the period ending February 28, 2019. In addition, the monthly investment report for February 2019 was presented.

- i. Two lines of the budget are substantially over-spent: Professional and Special Service, as well as Maintenance-Structures. These expenditures were for projects presented to, and approved by, the Board. The expenditures relate to Temporary Labor and the Pine Flat coating project, respectively. A budget augmentation will be sought later in the year to balance these out.
- ii. A query was raised at the last meeting regarding securities fees. Securities fees range between 2 – 5 basis points on existing issues, and \$0 on new issues; that would be \$200 - \$500 on a \$1M investment, which is not deemed to be excessive.

b. Review of Monthly Disbursements (Paul Stanfield)

It was moved by Director Beberian, seconded by Director Howe, and unanimously carried, that bills in the amount of \$1,403,214.90, as presented in the schedule of Disbursements and Current Accounts Payable, were approved and ordered paid.

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

13. CLOSED SESSION

a. No closed session.

14. Reconvene to Open Session/Report Any Action Taken in Closed Session

a. No closed session.

ADJOURNMENT

There being no further business, President Stanfield adjourned the meeting at 2:59 P.M.

Paul G. Peschel
Board Secretary

Board President

Approved on _____, 2019

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

RESOLUTION NO. 19-01

**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 (See Exhibit A) 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 March 12, 2019, the following persons: D. Paul Stanfield, President; Gregory H. Beberian, Vice President; Paul G. Peschel, General Manager/Secretary; and Brian Trevarrow, Auditor be – and that they are – authorized as President or Vice President or 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

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

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; and

BE IT FURTHER RESOLVED, that the authority hereby conferred shall be effective March 12, 2019, 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; and

BE IT FURTHER RESOLVED, that Resolution 18-06, of the Board of Directors of the Kings River Conservation District, dated December 11, 2018, is revoked effective March 12, 2019.

THE FOREGOING RESOLUTION was passed and adopted by the Board of Directors of the Kings River Conservation District this 12th day of March 2019, by the following vote:

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

NOES: None

ABSENT: None

President

ATTEST: _____
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 12th day of March 2019, 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 12th day of March 2019.

Secretary

(Seal)

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

RESOLUTION NO. 19-02

DISTRIC PENSION PLAN TRUSTEES

BE IT RESOLVED, that Randy Shilling 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 H. Beberian, Vice President, and Brian Trevarrow, Auditor/Deputy General Manager/Chief financial Officer be hereby named and appointed Trustees of the Kings River Conservation District Pension Plan; and

BE IT FURTHER RESOLVED, that Resolution No. 18-07 of the Board of Directors of the Kings River Conservation District, dated December 11, 2018, is revoked effective March 12, 2019.

THE FOREGOING RESOLUTION was passed and adopted by the Board of Directors of the Kings River Conservation District this 12th day of March, 2019, by the following vote:

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

NOES: None

ABSENT: None

President

ATTEST:

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 12th day of March 2019, 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 12th day of March 2019.

Secretary

(Seal)

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

RESOLUTION NO. 19-03

RECOGNITION OF RANDY SHILLING FOR HIS FIFTEEN (15) YEARS OF SERVICE

WHEREAS, on March 29, 2019 Randy Shilling, Deputy General Manager and Director of Business Operations, is being honored for his fifteen (15) years of dedicated service to the Kings River Conservation District (District); and

WHEREAS, Mr. Shilling has served the District since November 2003, and his fiscal responsibility, aptitude, and cooperative approach have significantly contributed to the success of the District; and

WHEREAS, Mr. Shilling managed the financials for several organizations in addition to the District, including the Kings Basin Water Authority, Kings River Water Quality Coalition, McMullin Area Groundwater Sustainability Agency, North Fork Kings Groundwater Sustainability Agency, and the South Fork Kings Groundwater Sustainability Agency; and

WHEREAS, Mr. Shilling played an integral role in obtaining the financing for the acquisition of, the successful management for ten (10) years of, and the subsequent sale of, the Malaga Peaking Plant; and

WHEREAS, Mr. Shilling provided excellent management of the District Office, and was instrumental in developing and managing a skilled and superlative team of staff, as well as ensuring they have been rewarded with the benefits their fine work deserves; and

WHEREAS, Mr. Shilling ensured the proper maintenance of the District Office site and facilities, and oversaw necessary improvements and expansions, such as the office annex;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors commends Randy Shilling for his achievements and outstanding service to the District, and congratulates him on the occasion of his Retirement.

THE FOREGOING RESOLUTION was passed and adopted by the Board of Directors of the Kings River Conservation District this 12th day of March 2019, by the following vote:

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

NOES: None

ABSENT: None

President

ATTEST:

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 12th day of March 2019, 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 12th day of March 2019.

Secretary

(Seal)

KINGS RIVER CONSERVATION DISTRICT
 Schedule of Disbursements and Current Accounts Payable
 Presented March 12, 2019
 (For Expenditures in the Month Ending February 28, 2019)

Employee Payroll	02/06/19	95,245.25	
Director's Payroll	02/12/19	4,589.37	
Employee Payroll	02/20/19	94,274.62	
			194,109.24
Accounts Payable (KRCD)		1,126,179.59	1,126,179.59
	Sub-Total		1,320,288.83
Ready-Tax Electronic Funds Transfers:			
Employee Tax Deposits	02/13/19		40,639.94
Director's Tax Deposits	02/15/19		1,137.25
Employee Tax Deposits	02/27/19		41,148.88
	TOTAL		<u>1,403,214.90</u>