

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, February 12, 2025

The regular meeting of the Board of Directors was called to order by President Waterhouse on Wednesday, February 12, 2025, at 12:30p.m., at the Semitropic Water Storage District (District) office located at 1101 Central Avenue, Wasco, California.

Directors Present: Dan Waterhouse, Tim Thomson, Philip Portwood, Tom Toreta, Todd Tracy

Directors Absent: David Daniel, Jeff Fabbri

Other Participants: General Manager, Jason Gianquinto
District Controller, Bobby Salinas
Receptionist, Yesenia Ramirez
District Legal Counsel, Steve Torigiani
Rick Amigh (WM Lyles)
Greg Allen (REDtrac)
Madonna Lang (Laborde Land)
Geoff Vanden Heuvel (Milk Producers Council)
Chad Carroll (CJ Farmside)
Maddie Reyes (Illume Ag.)
Justin Murray (AG Thought)
Travis Millwee (Pacific Resources) ✓
Brent Hankins (Hankins Farms)
Nicole Bonner (Manulife)
Kaho Kong (Valley Water)

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

PUBLIC COMMENT

Geoff Vanden Heuvel noted his concerns regarding the lack of response by DWR relative to the Governor's recent executive order.

ACTION ITEMS

Approval of Agenda

No Action; no changes to the Agenda.

Minutes

The Minutes of the Regular Meeting of January 8, 2025, and the GSA Meeting of January 8, 2025, were presented for approval.

On motion by Director Toretta, seconded by Director Tracy, the minutes for the Regular Meeting of January 8, 2025, and the GSA Meeting January 8, 2025, were approved as presented.

Treasurer's Reports

The Treasurer's report for December 2024 was presented for review and approval. District Controller, Bobby Salinas, also noted that the January 2024 Treasures report was not completed in time for today's board meeting due to the change over to the new Accounting Software platform.

On motion by Director Toretta, seconded by Director Thomson, the Treasurer Report for December 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. The Income Statement for January was not presented due to the change over to the new Accounting Software Platform.

Accounts Payable

The Cash Disbursement List for February 12, 2025, was presented for review, approval, and payment.

On motion by Director Portwood, seconded by Director Thomson, the Board authorized payment of the Accounts Payable as listed on the February 12, 2025, 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."

SEMITROPIC WSD GSA UPDATE

At 12:45 p.m., the Board President, Dan Waterhouse declared a meeting of the Semitropic Water Storage District Groundwater Sustainability Agency.

SGMA Updates and Discussion

General Manager, Jason Gianquinto provided an update on the District's SGMA related activities and presented a Power Point Presentation that would be used at the upcoming Kern County Subbasin probationary hearing scheduled for February 20, 2025.

Resolution ST GSA 25-01 - Deferral of Preliminary Imposition of Exceedance Penalties

On motion by Director Portwood seconded by Director Thomson and unanimously carried with Directors Fabbri and Daniels absent, the Board adopted Resolution ST GSA 25-01: DEFERRING PRELIMINARY FIXING, HEARING AND FINAL IMPOSITION OF PENALTIES TO BE ADMINISTRATIVELY IMPOSED ON LANDOWNERS EXCEEDING THEIR LANDOWNER WATER BUDGETS.

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 was not present. GEI's "Consulting Engineers' Report on Projects for January 2025" was included in the Board Packet.

Balance Public Relations

Dean Florez of Balance Public Relations was not present. The monthly report was presented on the day of the Board Meeting.

REDtrac

Greg Allen of REDTrac provided an overview of REDTrac report which was included in the Board Packet.

INFORMATIONAL AND UP-DATE ITEMS

General Manager Gianquinto noted that the Staff Report, titled "District Activity During January 2025," dated February 5, 2024, was included with the Board Packet. In addition, the following items were discussed:

General Manager, Jason Gianquinto provided a brief update of the general administrative portion of the Staff Report. State Water Project allocation for 2025 increased from 15% to 20%. The General Manager also provided information on the Governor's executive Order N-15-25. Attachments were included in the Board Packet.

District Contract Coordinator, Becky Ortiz, was not present. An update on water banking activity and an overview of the Water Supply portion was provided in the Staff Report.

District Engineer, Isela Medina was not present. A summary of the District's Engineer's activities was included in the Staff Report.

District Superintendent, John Lynch, was not present. An overview of the Operations and Maintenance Report was included in the Board Packet.

At 1:45pm President Waterhouse adjourned the Regular Board meeting, and it was reported that there was a need for the Board to reconvene to closed session.

Closed Session

At 2:00 pm. the meeting continued with Closed Session.

Participants included:

Directors Present: Dan Waterhouse, Tim Thomson, Philip Portwood, Tom Toretta, Todd Tracy,

Directors Absent: David Daniel, Jeff Fabbri

Other Participants: General Manager, Jason Gianquinto
District Controller, Bobby Salinas
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) *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 (consolidated), Third Appellate Dist., Case No. C100552

- 3) *Rosedale-Rio Bravo Water Storage District v. Kern County Water Agency, et al., Kern County Superior Court, Case No. BCV-21-100418*
- 4) *Semitropic Water Storage Dist. v. The Dow Chemical Co., et al., Kern County Sup. Ct., Case No. BCV-21-102528*
- 5) *Sierra Club, et al., v. DWR, Sacramento County Sup. Ct., Case No. 24WM000008, and related cases, challenging DCP EIR*
- 6) *DWR v. All Persons Interested in the Matter of the Authorization of Delta Conveyance Program Bonds, etc., Sacramento County Sup. Ct., Case No. 25CV000704*

b. Conference with Legal Counsel Re: Anticipated Litigation: Possible exposure to litigation pursuant Gov't Code § 54956.9(d)(2).

- 1) *Two Items.*

c. Conference with Legal Counsel Re: Anticipated Litigation: Possible initiation of litigation pursuant to Govt. Code § 54956.9(d)(4)

- 1) *Two Items*

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*

At 2:00 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 except the following:

On motion by Director Toretta, seconded by Director, unanimously carried with Directors Fabbri and Daniels absent, the Board authorized legal counsel to file an answer in the pending litigation matter of *DWR v. All Persons Interested in the Matter of the Authorization of Delta Conveyance Program Bonds, etc., Sacramento County Sup. Ct., Case No. 25CV000704.*

Adjournment

The meeting was adjourned at 3:00 p.m. by President Waterhouse.

APPROVED:



Daniel Waterhouse, President



Todd Tracy, Secretary

SEMITROPIC WATER STORAGE DISTRICT

DISBURSEMENTS TO BE APPROVED AT February 12, 2025 BOARD MEETING

JANUARY AFTER BOARD MEETING**SEMITROPIC IMPROVEMENT DISTRICT****Special Projects**

1	Ferguson Enterprises- Hydro Generator Task 2 Refurbishment	\$	2,988.31
2	GEI Consultants*		106,318.20
3	W.M. Lyles Co- Radial Arm Gate Replacement		35,341.90
4	Michael K. Nunley & Associates, Inc.- engineering services for California High Speed Rail		7,004.90 R
5	Kenneth Schmidt and Associates- Groundwater Monitoring Program		1,377.33 R
		\$	<u><u>153,030.64</u></u>

Operation Maintenance

6	ACCO Cable Splicing, Inc. - pump repair supplies	\$	221.92
7	AT&T- long distance charges		48.90
8	B&B Surplus, Inc.- "CE" check gate material		34.64
9	Bakersfield Electric Motor Repair, Inc.- Pond Poso Pumping Plant Unit #2 motor stator clean up		990.00
10	Citrix ShareFile- SMB Sharefile Advanced Annual Billing (1/04/2025-01/03/2026)		1,468.80
11	Clark Pest Control- office maintenance		98.00
12	Collins, Ron- gardening (December)		600.00
13	De Lage Landen Financial Services, Inc.- office copier (January)		401.17
14	FedEx- packages		32.55
15	Frontier Communications - data communication for substation		148.70
16	Gas Company- office utilities		457.86
17	Grainger- Standtank cleaning supplies and Semi. #2 Hydro. Gen. overhead fan motor		746.22
18	Greer's Banner Air of Bakersfield, Inc.- semi annual service from July 2024		1,024.80
19	Jeffries Bros., Inc. - gasoline, diesel fuel & petroleum products		3,397.72
20	Johnson Controls Security Solutions- quart. Bill. services acct. ending 8170 02/01/25- 04/30/25		1,979.24
21	Kern County Public Works- shop clean up		113.63
22	Kern Non-Districted Land Authority- January 2025 cash call		6,557.50
23	Kern Water Bank Authority- December 2024 Recharge 5,381 AF		54,617.15
24	Laurel Ag & Water- pipe for "A" & "B" check gate stilling Wells		772.56
25	McMaster-Carr- Beta & CE Air/water surge tank control repair parts		905.33
26	North Kern Water Storage District- SGMA Intera Well Mitigation		3,590.62
27	Office Depot- office supplies		361.28
28	PG&E Company - ownership line, power charges & utilities on PG&E lines		81,399.43
29	SBS of Bakersfield, Inc.- office copier (copy charges for January)		470.92
30	Shafter Parts and Supply, Inc.- December shop supplies for O&M		2,865.03
31	Shar-Craft Incorporated - Unit #2 Pond Poso PP		3,246.25
32	South Tulare Richgrove Refuse Inc.- trash service for drilling yard		506.88
33	Sparkle Uniform & Linen Service- uniforms, shop mats, & towels rental & office apparel		1,369.66
34	Strategic Policies LLC- consulting services and expenses for December		5,060.00
35	T&T Truck & Crane Service- crane to remove & load Unit #2 pump from Pond Poso PP		1,854.00
36	unWired Broadband, LLC- internet		59.99
37	Verizon Wireless - cell phones substation, solar site, on call, superintendent, dispatch, IT, CFO, & General Manager		450.00
38	Wesco- material to move "A" check gate canal level indicators		276.66
	Operating Expense Subtotal	\$	<u><u>176,127.41</u></u>

TOTAL BILLS FOR JANUARY AFTER BOARD MEETING \$ 329,158.05

+ (Additional disbursements or adjusted amounts.)

*(See page 2 for Special Project Funds)

**(See page 2 for breakdown)

EXHIBIT A

****BREAKDOWN OF DISBURSEMENTS FOR February 12, 2025 BOARD MEETING**

2 GEI Consultants, Inc. - *

General engineering fees, GW Modeling & expenses	\$	3,668.24
Delta Pipeline Improv. Project		57,645.12 G
Leonard Ave Intertie Project		3,185.39 G
SGMA Implementation		33,544.68
IRWMP Expense		518.50 R
Schuster Subsurface Recharge		6,513.82 G
Tulare Lake Flood Control Project		1,242.45
	\$	<u>106,318.20</u>

G Grant	\$	67,344.33
R Reimbursed		8,900.73
	\$	<u>76,245.06</u>

FEBRUARY 2025 BOARD MAILING

SEMITROPIC IMPROVEMENT DISTRICT

Special Projects

39	B&K Valves & Equipment, Inc.- Hydro Generator slide gate	\$	105,472.64
40	Downey Brand- professional services Groundwater Issues		65,003.35
41	Ferguson Enterprises- Hydro Generator Task 2 Refurbishment		249.37
42	W.M. Lyles Co- SWRU Phase 2 System X		1,666.50
43	W.M. Lyles Co- JPP Valve Actuator Mods and New PLC and Enclosure		29,576.16
44	Sunbelt Rentals- Equipment Rental for Hydro Generator		4,109.25
45	T&T Truck & Crane Service- Hydro Gen repairs		1,266.00
Special Projects Subtotal \$			<u>207,343.27</u>

SEMITROPIC IMPROVEMENT DISTRICT

Operation Maintenance

46	AT&T- telephone services	\$	1,210.17
47	AT&T- long distance charges		49.52
48	Avadine- engineer/analyst - senior & monthly software products license maintenance/support agreement January		950.00
49	Aviva Energy Corp.- energy consulting for January and February 2025		1,150.00
50	Balance Public Relations- lobbying services		13,500.00
51	CDW Government- ink cartridge (black and magenta)		753.99
52	Charter Communications (Spectrum)- internet		346.20
53	De Lage Landen Financial Services, Inc.- office copier (February)		401.17
54	FedEx- packages		16.22
55	First American Title Company- title guarantee for Delta pipeline Improv. Project		4,092.00 G
56	Grapevine MSP Technology Services- MSP Agrmnt, Patch Mgmt.,Secure offsite data backup,adv.email security (February)		4,117.30
57	Greer's Banner Air of Bakersfield, Inc.- change all filters and service all units		960.00
58	JPR Systems Inc.- R&M Pumping Plant		4,163.20
59	Knight's Pumping & Portable - portable toilet & services		471.85
60	Office Depot- office supplies		1,813.69
61	PG&E Company - ownership line, power charges & utilities on PG&E lines		5,183.76
62	ReadyRefresh by Nestle- water for shop		847.69
63	RedTrac, LLC.- Well Telem Monitoring (January and February)		10,708.00
64	RedTrac, LLC.- WaterTrac Software Telemetry monthly service fee (September - December)		55,440.00
65	Safeguard- accounts payable & payroll checks		1,533.34
66	Sparkle Uniform & Linen Service- uniforms, shop mats, & towels rental & office apparel		1,043.73
67	Tel-Tec Security Systems, Inc.- service labor & shop monitoring services (February)		220.00
68	T-Mobile - internet access for communication with Solar Site		27.00
69	Torres, Jessie- reimbursement of membership dues and seminar		149.00
70	Valley Ag Water Coalition- 2025 membership dues		7,000.00
71	Verizon Wireless - cell phones substation, solar site, on call, superintendent, dispatch, IT, CFO, & General Manager		664.34
72	Water Association of Kern County- annual membership dues for 2025		4,000.00
73	Waterbender LLC - scale inhibitor		699.02
74	Wells Fargo Business Cards-**		1,723.43
75	Zultys, Inc.- monthly charges for phone system (February)		1,000.90
Operating Expense Subtotal \$			<u>124,235.52</u>

TOTAL BILLS FOR FEBRUARY BOARD MAILING \$ 331,578.79

S.W.S.D - Payroll Accounts - transfer of funds from S.I.D. for January payroll \$ 425,242.35

FEBRUARY 2025 AFTER BOARD MAILING

SEMITROPIC IMPROVEMENT DISTRICT

Special Projects

76	Downey Brand- professional services Tulare Lake Flood control proj. (October 2024)	\$	241.00
77	Downey Brand- professional services Groundwater Issues (October 2024)		16,143.00
78	W.M. Lyles Co- Radial Arm Gate Replacement		210,231.20
79	Michael K. Nunley & Associates, Inc.- engineering services for California High Speed Rail		393.98 R
80	Kenneth Schmidt and Associates- Groundwater Monitoring Program		782.55 R
81	Young Wooldridge*		31,099.35
Special Projects Subtotal \$			<u>258,891.08</u>

Operation Maintenance

82	AECA Membership Invoice - 2025 Membership Dues	\$	10,000.00
83	American Refuse- trash service for shop		308.54
84	American TireTec-used tire disposal		25.60
85	B&B Surplus, Inc.- material to repair Delta spillway structure & to fabricate up & down stream canal level stilling wells for Beta check gate		3,069.98
86	Builders Firstsource, Inc.- Delta spillway and "CE"check gate stop logs		1,036.35
87	Coastline Equipment - parts to repair John Deere 310G backhoe		1,585.85
88	Collins, Ron- gardening (January)		600.00
89	Downs Equipment Rentals, Inc.- Pond Poso canal clean out		9,835.00
90	FedEx- packages		52.34
91	Grapevine MSP Technology Services- workstation frozen		130.98
92	Home Depot- January supplies for O&M		1,177.16
93	Jeffries Bros., Inc. - gasoline, diesel fuel & petroleum products		14,514.45
94	Jim Burke Ford- vehicle service supplies		3,726.78
95	Jorgensen Company- standtank clean out		511.49
96	Kern Water Bank Authority- January 2025 Recharge (6,304 A/F)		63,985.60
97	Kern Water Bank Authority- 2024 Repairs Related to 2023 Recharge		57,025.92
98	McMaster-Carr- check gate encoder couplings and water meter bearings		476.63
99	Myers Diesel Repair- parts to repair Kenworth tractor		637.52
100	Office Depot- office supplies		886.50
101	O'Reilly Auto Parts- shop supplies		907.24
102	Pacific Tank & Construction, Inc.- R&M on Standtanks		66,116.15
103	PG&E Company - ownership line, power charges & utilities on PG&E lines		906.94
104	A.C. Poettgen- monthly cylinder rental (January 2025) and supplies		499.04
105	Praxair- cylinder rental for O&M		50.21
106	Richland Chevrolet- January supplies		3,004.86
107	San Joaquin Valley APCD- 25/26 Annual Permits to Operate		42.00
108	Shafter Parts and Supply, Inc.- January shop supplies for O&M		2,613.41
109	Shar-Craft Incorporated - Unit #2 Pond Poso Pumping Plant		4,091.18
110	Springbrook- Standard Professional Services		6,750.00
111	Taylor Equipment & Repair, Inc. - 140H motorgrader repair		1,268.48
112	City of Wasco- water, sewer, and trash services for office (January)		660.69
113	Waterbender LLC - scale inhibitor		6,470.97
114	Water Blueprint for the SJV Education- 2025 Annual Contribution		7,500.00
115 +	Wells Fargo Business Cards-**		1,163.00
116	White Cap, L.P.-concrete canal liner repair, material to repair 72" RCP cracked belt		1,870.99
Operating Expense Subtotal \$			<u>273,501.85</u>

TOTAL BILLS FOR FEBRUARY 2024 AFTER BOARD MAILING \$ 532,392.93

TOTAL BILLS FOR JANUARY 2024 AFTER BOARD MEETING \$ 329,158.05
TOTAL BILLS FOR FEBRUARY 2024 BOARD MAILING \$ 331,578.79
TOTAL BILLS FOR FEBRUARY 2024 AFTER BOARD MAILING \$ 532,392.93
TOTAL BILLS TO BE APPROVED AT BOARD MEETING \$ 1,193,129.77

****BREAKDOWN OF DISBURSEMENTS FOR February 12, 2025 BOARD MEETING**

74/ Wells Fargo Business Cards**
115

Operating Supplies- Ralph Sanchez	\$	295.47
Operating Supplies - Bobby Salinas		40.70
Operating Supplies - Yesenia Ramirez		1,004.80
Operating Supplies- John Lynch		1,163.00
Travel expenses - Isela Medina		41.41
Fuel & Operating Supplies- Jason Gianquinto		341.05
	\$	<u>2,886.43</u>

81 Young, Wooldridge, LLP - *

Legal fees & expenses		19,370.97
High Speed Rail Project Phase 7		1,787.50 R
Delta Pipeline Conv. Improv. Project		4,781.94 G
Schuster Subsurface Recharge		4,781.94 G
Tulare Lake Flood Control Project		377.00
	\$	<u>31,099.35</u>

G Grant	\$	4,092.00
R Reimbursed		0.00
	\$	<u>4,092.00</u>

SEMITROPIC WATER STORAGE DISTRICT

DISBURSEMENTS TO BE APPROVED AT February 12, 2025 BOARD MEETING

WIRE TRANSACTIONS

1	Kern County Water Agency- Pioneer Project Estimated Billing for Recovery April 2024 (854 AF)	182,064.00
2	Sun Trust Bank - 2006 Swap Agreement (January)	50,261.09
		<u>\$ 232,325.09</u>