

February 8, 2024

The Board of Directors of the Saucelito Irrigation District met this day in a regular session. The office is located at 20712 Avenue 120, Porterville, California.

## **CALL TO ORDER**

President Kisling called the meeting to order at 9:30 am.

## **ATTENDANCE**

DIRECTORS PRESENT: Kisling, E. Merritt, Demetriff, M. Merritt & Noble  
DIRECTORS ABSENT: None  
OTHERS PRESENT: Sean P. Geivet, Manager

GUEST: Nick Gatti – Renewable Resources  
Andrew Hart – Booth Ranches  
Aaron Lewis –

**AGENDA** – The Manager reported that the agenda is in order and has been posted as required.

## **MINUTES**

M/S/U, Noble, Demetriff– to approve the minutes from the Regular Board of Directors' meeting held on January 11, 2024, with one correction.

AYE: Kisling, E. Merritt, Demetriff, M. Merritt & Noble  
NAY: None  
ABSENT: None

## **BILLS AND VOUCHERS**

M/S/U, M Merritt, Noble - to authorize the Treasurer to pay all outstanding bills against the District as presented.

AYE: Kisling, E. Merritt, Demetriff, M. Merritt & Noble  
NAY: None  
ABSENT: None

**PUBLIC COMMENT** – President Kisling asked if anyone from the public wished to comment at this time. Having no one, the Board moved on to the reports.

## **MONTHLY REPORTS**

**FINANCIAL** – The Board reviewed the financial status of the District. Included in the review were the Citizens Business Bank accounts check register from the prior month, Local Agencies Investment Fund reports, Money Market Account Statement, Treasurer, Collector's, and Secretary's reports. The Income Statements and Balance Sheets were reviewed. Discussion ensued.

M/S/U, Demetriff, E. Merritt – to accept the financial statements and direct that they be placed on file.

AYE: Kisling, E. Merritt, Demetriff, M. Merritt & Noble  
NAY: None  
ABSENT: None

**ADMINISTRATIVE REPORTS** – No report given.

**OPERATIONS & WATER** – The Manager reviewed the water schedule report from Nick Keller with the Board. The Manager stated that he thought the USBR might make an allocation announcement on February 20 of 70%. The Manager also believed there is around 100% Class I in the watershed and possibly 15% Class II. The Manager reported a leak at D Plant. It's a pipeline leak and should be fixed by February 12, 2024. Included in the board packet are the Employee Safety Meeting and Monthly Field Staff Report for the Board's review. Discussion ensued.

**STATUS OF AUTHORITIES** – The Manager continued forwarding CEO updates from Jason Phillips, CEO of FWA, and the AECA newsletter to the Board members. FWA will be holding a board meeting on Monday to give Jason Phillips guidance on a project he is working on that would allow for extra funding to USBR. Discussion ensued.

**EASTERN TULE GSA** – The Manager reported the ETGSA had hired 4-Creeks to enforce the subsidence plan. Discussion ensued.

**BANKING POLICY** – The Manager reported the banking policy is still in draft and needs changes, and it has been recommended that we do an EIR. The public scoping meeting will be held with PID & SID sometime in the spring. Discussion ensued.

**2024 BUDGET** – The Board reviewed the 2024 budget. Discussion ensued.

M/S/U, M. Merritt, E. Merritt – to approve the 2024 budget as presented to the Board.

AYE: Kisling, E. Merritt, Demetriff, M. Merritt & Noble  
NAY: None  
ABSENT: None

APPROVED FISCAL YEAR 2024 BUDGET  
SAUCELITO IRRIGATION DISTRICT

EXPENSES

|                                   | <u>FIXED</u> | <u>VARIABLE</u> |
|-----------------------------------|--------------|-----------------|
| Water Purchases (75% Class 1)     | \$           |                 |
| 5200 Cost of Service              |              | 1,844,216       |
| Restoration Fund                  |              | 193,823         |
| Friant Surcharge                  |              | 112,875         |
| Trinity PUD                       |              | 2,419           |
| Water Purchases (SJRRP Recapture) |              | 353,628         |
| 5203 Water Purchases (Other)      |              | 38,390          |

|      |                                               |          |        |
|------|-----------------------------------------------|----------|--------|
|      | Capital Repayment                             |          | 74,340 |
|      | Ground Water Recharge                         |          |        |
| 5235 | Power for Pumping                             |          | 86,402 |
|      | <b><u>TRANSMISSION &amp; DISTRIBUTION</u></b> |          |        |
| 5315 | Repair - Real Property                        | \$ 5,125 |        |
| 5316 | Repair - Distribution                         | 30,750   | 37,509 |
| 5319 | Repair - Motor Vehicles                       | 2,050    | 1,209  |
| 5320 | Repair - Equipment                            | 2,050    | 1,079  |
| 5325 | Utilities                                     | 1,128    | 272    |
| 5328 | Weed & Insect Control                         | 1,230    |        |
| 5330 | Supplies - Maintenance                        | 513      |        |
| 5331 | Supplies - Shop                               | 2,050    |        |
| 5332 | Supplies - Yard                               | 513      |        |
| 5335 | Oil & Grease - Pumping                        | 1,025    |        |
| 5337 | Gas & Oil - Vehicles                          | 6,500    |        |
| 5350 | Engineering                                   | 3,588    |        |
| 5355 | Insurance                                     | 11,275   | 9,183  |
| 5365 | Travel                                        | 103      |        |
| 5398 | Miscellaneous                                 | 513      |        |
| 1550 | Distribution System                           | 20,000   |        |
| 1570 | Shop Equipment                                | 7,500    |        |
| 1650 | Vehicles                                      | 30,000   |        |
|      | <b><u>ADMINISTRATION</u></b>                  |          |        |
| 6500 | Directors Fees & Expenses                     | \$ 1,000 |        |
| 6504 | Salary Office                                 | 123,240  | 52,227 |
| 6507 | OPEB Cost                                     | 41,000   | 3,497  |
| 6508 | Contract Management                           | 92,224   | 28,393 |
| 6509 | Payroll Taxes                                 | 8,216    | 5,481  |
| 6510 | Compensation Insurance                        | 1,000    |        |
| 6511 | Employee Retirement                           | 8,000    | 8,475  |
| 6512 | Medical - Employees                           | 39,900   | 4,242  |
| 6513 | Medical - Directors                           | 77,900   | 7,797  |
| 6514 | Medical - Retirees                            | 17,800   | 33,860 |
| 6515 | Repair - Real Property                        | 2,563    |        |
| 6520 | Repair - Equipment                            | 4,613    | 6,210  |
| 6540 | Utilities                                     | 4,613    |        |
| 6541 | Phone                                         | 3,075    | 3,568  |
| 6544 | Office Supplies                               | 3,588    | 1,068  |
| 6546 | Notary Public                                 | 615      |        |
| 6550 | Engineering                                   | 10,250   |        |
| 6551 | Legal Fees - District                         | 15,375   | 2,054  |
| 6552 | Legal Fees - Other                            | 1,025    | 10,997 |
| 6553 | Legal Fees - NRDC                             | 0        |        |
| 6554 | Accounting Fees                               | 10,763   | 20,139 |
| 6555 | Insurance                                     | 1,538    |        |

|      |                              |         |        |
|------|------------------------------|---------|--------|
| 6557 | Investment Counseling        | 3,588   |        |
| 2281 | BBAV Loan Principal          | 324,970 | 17,499 |
| 6558 | BBAV Loan Interest           | 116,334 |        |
| 1403 | Capital Acquisitions - DCTRA |         |        |
| 6559 | TPD Agreement                | 3,300   |        |
| 6560 | Taxes & Licenses             | 500     |        |
| 6561 | Employee Training            | 2,000   |        |
| 6564 | Convention & Seminar         | 1,500   |        |
| 6565 | Travel                       | 3,500   |        |
| 6570 | Legal Advertising            | 1,000   |        |
|      | COP Cost                     |         | 5,000  |
| 6578 | NRDC                         |         |        |
| 6580 | Dues & Subscriptions         | 102,500 | 20,751 |

### **EXPENSES**

|      |                                                   | <b><u>FIXED</u></b> | <b><u>VARIABLE</u></b> |
|------|---------------------------------------------------|---------------------|------------------------|
|      | <b><u>ADMINISTRATION (cont.)</u></b>              |                     |                        |
|      | Public Relations                                  | 308                 |                        |
| 6598 | Bank Charges                                      | 154                 |                        |
|      | Real Property                                     | 5,000               |                        |
|      | Office Equipment                                  | 5,000               |                        |
| 5201 | Friant O&M                                        | 270,627             | 145,246                |
| 5206 | Friant O&M (FKC Capacity Correction Project)      |                     |                        |
| 5204 | SLDMWA                                            | 290,160             |                        |
|      | SLDMWA JPP Rewind                                 |                     |                        |
|      | CDTRA- Board of Equilization - State Water Rights |                     |                        |
| 5210 | Fee                                               | 38,080              | 34,382                 |
| 5345 | H <sub>2</sub> O Conservation Plan                | 2,000               |                        |
| 5304 | Labor                                             | 90,376              |                        |
| 6503 | Temporary Employee                                |                     |                        |
| 5305 | Standby                                           | 3,300               |                        |
| 5309 | Payroll Taxes                                     | 6,939               |                        |
| 5310 | Compensation Insurance                            | 6,000               |                        |
| 5311 | Employee Retirement                               | 5,600               |                        |
| 5312 | Medical Insurance                                 | 39,330              |                        |
|      | <b>TOTALS</b>                                     | <b>\$ 1,916,277</b> | <b>3,166,231</b>       |

### **REVENUES**

|      |                                |           |           |
|------|--------------------------------|-----------|-----------|
|      | Current Assessments (1)        | \$ 96,564 |           |
| 1232 | Current Assessment (2) Standby | 192,830   |           |
|      | Supplemental Assessment (3)    | 1,633,054 |           |
| 4005 | Water Sales (4)                |           | 3,220,457 |
|      | Water Sales - Resale           |           |           |
| 4020 | Water Sales - Wheeling         |           | 6,200     |

|      |                           |               |                               |
|------|---------------------------|---------------|-------------------------------|
| 4760 | FWA Water Refund          |               |                               |
| 4060 | Water Acct Penalties      |               | 8,000                         |
|      | Interest, Penalties, etc. | 2,500         | 12,500                        |
| 4760 | Insurance Refund          |               | 4,500                         |
|      | Non-Operating Revenue     |               |                               |
|      |                           | <b>Totals</b> | <b>\$ 1,924,948 3,251,657</b> |

#### 2023

|     |                                |          |                       |
|-----|--------------------------------|----------|-----------------------|
| (1) | 19,312.72 acres @ \$5.00/acre  | \$ 8,671 | \$ 199.72             |
| (2) | 19,283.03 acres @ \$10.00/acre | \$ 0.45  | Cost per AF @ 75% CL1 |
| (3) | 19,312.72 acres @ \$84.55/acre |          |                       |

**LSJR RECAPTURE** – The Manager reviewed with the Board the First Amendment to Repayment Agreement for Recapture of Restoration Flows in Lower San Joaquin River (Water Year 2022-2023). Discussion ensued.

M/S/U, Demetriff, Noble – To have the Manager sign the amendment on behalf of the District.

AYE: E. Merritt, Kisling, Demetriff, M. Merritt & Noble  
 NAY: None  
 ABSENT: None

**2024 WATER RATE & WATER POLICY**- The Manager reviewed the water policy and water rates with the Board based on the numbers in the budget with an allocation of 75% Class 1. The cost of water would be \$ 200.00 for 2024. Discussion ensued.

M/S/U, Demetriff, M. Merritt – to set the 2024 cost of water at \$200.00 per acre-foot based on projected water allocation of 75% class 1.

AYE: E. Merritt, Kisling, Demetriff, M. Merritt & Noble  
 NAY: None  
 ABSENT: None

**EMPLOYEE MATTERS** - The Manager reviewed his recommended adjusted salaries for the District employees with the Board. The Manager recommended employees' salary adjustments be retro-activated back to January with an increase of 3.5% COLA. In addition the Manager added a step to Ennis which has not received a step in 5 year. Discussion ensued.

M/S/U, Demetriff, M. Merritt – to accept the Manager's recommendation outlined in the Employee Salary Adjustment, including the COLA 3.5% increase for all employees with Ennis receiving a 5% step.

AYE: E. Merritt, Kisling, Demetriff, M. Merritt & Noble  
 NAY: None  
 ABSENT: None

**CLOSED SESSION** – The Manager reported there wasn't a need for a closed session.

**CONFERENCE WITH LEGAL COUNSEL** – EXISTING LITIGATION [Government Code Section 54956.9(d)(1)] the City of Fresno, et al. v. United States of America, Court of Federal Claims, Case No. 16-1276L.

**CONFERENCE WITH LEGAL COUNSEL** – ANTICIPATED LITIGATION [Government Code Section 54956.9] (3 Case)

**CONFERENCE WITH LEGAL COUNSEL** – EXISTING LITIGATION (Paragraph (1) of subdivision (d) of Section 54956.9) Setton Pistachio of Terra Bella, Inc. v. Saucelito Irrigation District Tulare County Superior Court Case No. VCU301700

## **ADJOURNMENT**

President Kisling adjourned the meeting at 11:07 am.

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Diane M. Ennis, Secretary