

MINUTES of the Regular Meeting of the Board of Directors of Dudley Ridge Water District held on May 12, 2021 at 1:00 p.m. at the office of the District, 286 W. Cromwell Ave., Fresno, California. Due to safety concerns related to Covid-19, all attendees participated via teleconference.

DIRECTORS PRESENT: Kimberly Brown, President
Steve Jackson, Secretary
Bernard Puget

DIRECTORS ABSENT: Larry Ritchie
John Vidovich

OTHERS PRESENT: Mark Gilkey, General Manager
Dale Melville, Assistant Manager-Engineer
Rick Besecker, Assessor-Collector-Treasurer
Joe Hughes, Legal Counsel
Kris Lawrence, Westside WA
Gnelle Sparks, Westside WA
Mary King, Westside WA
Kellie Welch, Irvine Ranch WD
Larry Bross, SSORB
Audrey Arnao, WestWater Research

President Brown called the Board meeting to order at 1:05 p.m.

The Assistant Manager requested that the Board add an agenda item to discuss the Aqueduct pumpback program related to the potential urgency to implement the program in 2021. Director Jackson made a motion to add item 8.d. Aqueduct Pumpback Program to the agenda. The motion was seconded by Director Jackson; after discussion the Board voted to approve the motion. Following the vote, President Brown announced that the Directors voted as follows:

Brown	Ritchie	Jackson	Vidovich	Puget
Aye	Absent	Aye	Absent	Aye

MINUTES

Director Puget made a motion to approve the minutes of the March 10, 2021 Regular Board Meeting. The motion was seconded by Director Jackson; after discussion the Board voted to approve the motion. Following the vote, President Brown announced that the Directors voted as follows:

Brown	Ritchie	Jackson	Vidovich	Puget
Aye	Absent	Aye	Absent	Aye

FINANCIAL REPORTS AND ACTIONS

Mr. Besecker presented to the Board financial reports prepared for the current period ending May 12, 2021. The reports showed the following cash balances in each of the respective accounts after bills proposed for payment on May 12, 2021.

BANK ACCOUNTS		
General (Checking) Fund (Bank of America)		\$ 4,339.10
Operating (Checking) Fund (Bank of America)		9,062.20
Investment Fund (LAIF Account)		319,380.77
Investment Fund (CalTrust Short Term Account)		338,964.17
Investment Fund (CalTrust Medium Term Account)		<u>155,661.56</u>
TOTAL BANK ACCOUNTS		\$ 827,407.80

The reports also included the cash receipts journal, the aged receivables report, the 2021 budget comparison report for the period from March 11, 2021 to May 12, 2021. Director Jackson made a motion to accept the Treasurer's Report. The motion was seconded by Director Puget; after discussion the Board voted to approve the motion. Following the vote, President Brown announced that the Directors voted as follows:

Brown	Ritchie	Jackson	Vidovich	Puget
Aye	Absent	Aye	Absent	Aye

Next, Mr. Besecker reviewed with the Board the schedule of warrants to be approved for payment by the District for the period from March 10, 2021 to May 12, 2021 as shown below.

Payee	Amount
Department of Water Resources	\$ 239,136.00
Klein Denatale Goldner LLP	3,684.00
Pacific Gas & Electric	427.73
Provost & Pritchard Consulting Group	21,889.69
Kern Water Bank Authority	191,805.00
Total	<u>\$ 456,942.42</u>

Director Jackson made a motion to approve the schedule of warrants for payment. The motion was seconded by Director Puget; after discussion the Board voted to approve the motion. Following the vote, President Brown announced that the Directors voted as follows:

Brown	Ritchie	Jackson	Vidovich	Puget
Aye	Absent	Aye	Absent	Aye

Next, Mr. Melville reported that the Board had authorized a \$7,500 contribution to the San Joaquin Valley Water Blueprint in the 2021 budget; this was based on the historic \$15,000 contribution that had been split with the Southwest Kings GSA; the District's \$7,500 had been paid in April. He noted that the SJV Water Blueprint had raised their annual contribution request to \$20,000 and he was looking for guidance from the Board on how to proceed, noting that landowners were concerned about paying in duplicate due to overlapping jurisdictions of SJV Water Blueprint contributors. Since the SWKGSA encompasses the District as well as RD 761, a western portion of Tulare Lake Basin WSD, and Kettleman City, the Board decided not to increase this year's budgeted contribution and that going forward, it would be more appropriate for the broader area served by the SWKGSA to be the local contributor to the SJV Water Blueprint.

WATER SUPPLY REPORTS

Mr. Besecker reviewed the current water report with the Board, noting the SWP allocation remained at 5% of Table A amounts.

Regarding the District-approved banking and exchange programs, Mr. Melville reported:

- A request was sent to Cawelo WD to recover up to 2,000 AF; Cawelos' response is pending;
- The environmental review under CEQA is being prepared for the new San Gabriel Valley MWD banking program with the District; and
- The Irvine Ranch WD is offering a transfer of 5,000 AF of banked Table A water to District water users at \$650/AF for use in-District; tied to the transfer is an obligation for those same water users to take 10,000 AF of previously banked water in Kern County with a 1:1 payback in five years (with the potential to extend another five years).

Director Puget made a motion to authorize the execution of an agreement with IRWD subject to final review by legal counsel and the President. The motion was seconded by Director Jackson; after discussion the Board voted to approve the motion. Following the vote, President Brown announced that the Directors voted as follows:

Brown	Ritchie	Jackson	Vidovich	Puget
Aye	Absent	Aye	Absent	Aye

Staff was directed to poll water users for their interest in the IRWD program and implement the program based on those water user requests.

Regarding water supply programs in collaboration with the Westside Districts, Mr. Melville reported:

- The CEQA for the Palmdale WD multi-year transfer has been initiated with DRWD acting as the lead agency; Palmdale would pay for 50% of the costs with the Westside Districts splitting the other 50%. The Assistant Manager then reported that he had reviewed the CEQA proposal with the President and asked the Board to ratify his execution of the April 1 contract with the CEQA consultant (ESA) for preparing the CEQA documents.

Director Jackson made a motion to ratify the execution of the District's contract with ESA. The motion was seconded by Director Puget; after discussion the Board voted to approve the motion. Following the vote, President Brown announced that the Directors voted as follows:

Brown	Ritchie	Jackson	Vidovich	Puget
Aye	Absent	Aye	Absent	Aye

- Regarding the 10-year extension of the Butte County transfer, DWR was expected to finish the conveyance agreement later this month;

- Regarding the Brown's Valley ID supply, BVID will probably not have water available above its in-district needs to transfer any water this year to DRWD.
- Regarding the Mojave WA CEQA, the Assistant Manager asked the Board to concur with MWA's Negative Declaration and Notice of Determination and execute the agreement with MWA for a multi-year transfer of SWP water to the Westside districts through 2035.

Director Jackson made a motion to concur with MWA's CEQA findings and actions. The motion was seconded by Director Puget; after discussion the Board voted to approve the motion. Following the vote, President Brown announced that the Directors voted as follows:

Brown	Ritchie	Jackson	Vidovich	Puget
Aye	Absent	Aye	Absent	Aye

Director Jackson then made a motion to execute the Agreement for Purchase of Water Supplies, subject to review by the President. The motion was seconded by Director Puget; after discussion the Board voted to approve the motion. Following the vote, President Brown announced that the Directors voted as follows:

Brown	Ritchie	Jackson	Vidovich	Puget
Aye	Absent	Aye	Absent	Aye

Regarding water supply programs in collaboration with the Dry Year Transfer Program, Mr. Besecker reported that there was 256 AF available NOD at \$625/AF.

Regarding water supply programs in collaboration with the Yuba Accord, Mr. Besecker reported that there was 626 AF available NOD at \$447/AF and 165 AF available NOD at \$358/AF.

Regarding the South Valley Water Resources Authority, Mr. Melville reported that DWR and USBR are requiring following for Patterson ID to move water to a non-CVP contractor and that he has been working with PID on a workaround for 2022.

REPORTS FROM OTHER MEETINGS

Regarding the Southwest Kings GSA, Director Jackson reported that the draft annual report was filed and that they were having ongoing discussions with Westlands WD.

Regarding the Kern Water Bank Authority, President Brown reported that the bank would be in recovery mode through the end of the summer, they were looking at a potential pumpback program.

Regarding the Westside Water Authority, the General Manager reported they would be relocating to an office in June located at 5555 California Ave, Suite 209 in Bakerfield.

Regarding the Committee for Delta Reliability, Mr. Lawrence had nothing to report.

Regarding the Westside Water Quality Coalition, Mr. Lawrence stated that all member reporting was complete (including Farm Evaluation Reports, and Irrigation and Nitrogen Management Plans). The Annual Monitoring Report is in progress, and data is being pulled together for the 5-year update to the Groundwater Assessment Report, being completed through the CVGMC. Finding replacement wells for dry perched wells in the WWQC area was largely unsuccessful, and the Basin Plan Amendment work is ongoing.

STATE WATER PROJECT ISSUES

Mr. Melville reported that with the 5% Table A allocation, the District has the option to defer a portion of the payment for funding the Delta Conveyance Project. Director Jackson made a motion to defer as much of the payment as possible. The motion was seconded by Director Jackson; after discussion, the Board voted to approve the motion. Following the vote, President Brown announced that the Directors voted as follows:

Brown	Ritchie	Jackson	Vidovich	Puget
Aye	Absent	Aye	Absent	Aye

Next, related to DWR executing the Contract Extension Amendment, in addition to DWR waiting for the trial court decision on the validation issue, the General Manager reported that SWC legal team was working on options to present to DWR regarding the Article 13(b) liability. Delays in implementing the Contract Extension Amendment could create a one-billion-dollar impact to SWP contractors over the next 14 years.

Finally, the General Manager reported that negotiations on the Voluntary Agreement are progressing, with a goal of getting the plan to SWRCB with large water user support. Critical

elements include coordinating the required actions of the BiOps and the Incidental Take Permit, habitat restoration, and water relinquishments and purchases.

OTHER DISTRICT ISSUES

Next, Mr. Melville reported that the District management consultants will be relocating their office later in May and proposed the District office be changed to that new address, recommending that the Board approve Resolution No. 2021-04. Director Jackson then made a motion to adopt Resolution 2021-04, attached to and made part of these minutes, changing the location of the District office. The motion was seconded by Director Puget; after discussion the Board voted to approve the motion. Following the vote, President Brown announced that the Directors voted as follows:

Brown	Ritchie	Jackson	Vidovich	Puget
Aye	Absent	Aye	Absent	Aye

Next, Mr. Melville reported that Director Jackson's and Director Puget's terms expire in December and that setting the election would require Board approval. Director Jackson then made a motion to adopt Resolution 2021-05, attached to and made part of these minutes, setting the election and authorizing staff to proceed with other necessary actions. The motion was seconded by Director Puget; after discussion the Board voted to approve the motion. Following the vote, President Brown announced that the Directors voted as follows:

Brown	Ritchie	Jackson	Vidovich	Puget
Aye	Absent	Aye	Absent	Aye

Next, Mr. Melville reported on the past Utica JLJ request to deliver a portion of their Table A water to Kettleman City CSD's ("KCCSD") Aqueduct turnout in exchange for treated water from KCCSD for the Utica commercial development. With Director Jackson unable to participate in the discussion and leaving the meeting for this issue, the Board had lost a quorum and Directors Brown and Puget met as an ad hoc committee. This was the third Board meeting that the request has been brought to the Board without the Board being able to act and the developer is scheduled to begin earthwork on the project in June. An agreement among the District, Kings County, and KCCSD has been drafted and agreed to staff and legal counsel of all three agencies. Mr. Melville and Mr. Hughes both noted that the agreement was based on a similar structure approved by the Board in the past, and although the ad hoc committee cannot take action, they can make a recommendation to management on how to proceed on this issue. Since the proposed agreement recognizes that Utica's District water is being returned to the District and the conveyance agreement is similar to the structure of a prior District agreement, the ad hoc committee directed the General Manager or Assistant Manager-Engineer to execute the Water Conveyance Agreement with Kings County and KCCSD and proceed with all related actions to obtain DWR approval of such deliveries to the KCCSD turnout.

Director Jackson rejoined the meeting.

Next, Mr. Melville reported on the potential Aqueduct Pumpback Program, noting that the involved districts would be meeting with DWR to review the situation. After discussion, staff was directed to proceed with a Notice of Exemption and other actions to prepare for a 2021 pumpback program, if needed.

REPORT OF COUNSEL

Mr. Hughes had nothing to report.

DATE, TIME, AND LOCATION OF NEXT BOARD MEETING

The General Manager noted that the next meeting is to be determined, based on the need for Board policy actions.

ADJOURNMENT

Finally, Director Jackson made a motion to adjourn the meeting. The motion was seconded by Director Puget; after discussion, the Board voted to adjourn the meeting. Following the vote, President Brown announced that the Directors voted unanimously as follows:

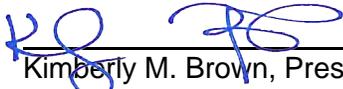
Brown	Ritchie	Jackson	Vidovich	Puget
Aye	Absent	Aye	Absent	Aye

There being no further business to come before the Board, at 2:08 p.m. President Brown adjourned the meeting.



Steven D. Jackson, Secretary

APPROVED:



Kimberly M. Brown, President

RESOLUTION NO. 2021-04

**RESOLUTION OF THE BOARD OF DIRECTORS
OF DUDLEY RIDGE WATER DISTRICT
REGARDING CHANGING THE LOCATION OF THE DISTRICT OFFICE**

WHEREAS, pursuant to Article II, Section 2.01 of the Amended and Restated Bylaws (the "Bylaws") of the Dudley Ridge Water District ("District"), the Principal Office for the transaction of business of the District is presently located at 286 West Cromwell Avenue, Fresno, California 93711; and

WHEREAS, Provost & Pritchard Engineering Group, Inc. located at 286 West Cromwell Avenue, Fresno, California 93711 is providing management, accounting, engineering, and administrative services to the District; and

WHEREAS, Provost & Pritchard Engineering Group, Inc. will be relocating to 455 West Fir Avenue, Clovis, California 93611; and

WHEREAS, the Board of Directors finds that it will better suit the convenience of the District and its members to change the address of the Principal Office of the District to be located at 455 West Fir Avenue, Clovis, CA 93611; and

WHEREAS, Article IV, Section 4.04 of the Bylaws provides that the "Board is expressly authorized and empowered to enact a resolution by a majority vote to be entered upon its minutes to change the location of the District office to some other place or location."

NOW, THEREFORE, BE IT RESOLVED, Effective May 21, 2021, the District office shall be located at 455 West Fir Avenue, Clovis, CA 93611.

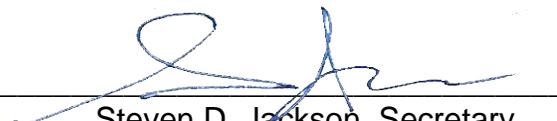
PASSED AND ADOPTED this 12th day of May 2021.

CERTIFICATE OF SECRETARY

The undersigned hereby certifies that I am the Secretary of Dudley Ridge Water District and that the foregoing Resolution was authorized by the Board of Directors of said District at a meeting thereof, duly and regularly held on May 12, 2021, at which meeting a quorum of the Board of Directors was at all times present and acting.

IN WITNESS THEREOF, I have set my hand this 12^h day of May 2021.

(DISTRICT
SEAL)



Steven D. Jackson, Secretary
Dudley Ridge Water District

RESOLUTION NO. 2021-05

**RESOLUTION OF THE BOARD OF DIRECTORS
OF DUDLEY RIDGE WATER DISTRICT
2021 ELECTIONS**

WHEREAS, the terms of Directors Steven Jackson and Bernard Puget expire on December 1, 2021 as directors of board of the Dudley Ridge Water District (“District”);

WHEREAS, elections to fill vacancies on the boards of California Water Districts are conducted in odd-numbered years in accordance with the California Uniform District Election Law (“UDEL”); and

WHEREAS, the UDEL requires that the District decide whether to conduct its election by all-mailed ballot and whether the District or the County Clerk shall conduct the election.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors hereby authorizes and directs the officers and counsel for the District to conduct an election in accordance with the Uniform District Election Law to fill the vacancies on the Board;

RESOLVED, that the election shall be conducted by all-mailed ballot;

RESOLVED, that pursuant to Elections Code section 1500 the election shall take place on August 31, 2021;

RESOLVED, that the officers are authorized and directed to publish a Notice of Election in the form attached hereto in the manner required by the Uniform District Election Law notifying the landowners in the District of the election;

RESOLVED, that the Board of Directors hereby authorizes and directs the officers and counsel for the District to issue a press release regarding the election in the form attached hereto;

RESOLVED, that beginning May 10, 2021 the Assistant Secretary of the District make available declaration of candidacy forms for eligible candidates and that these forms be accepted for filing with the District up to and including June 4, 2021 at 5:00 p.m.; and

RESOLVED, that the Board of Directors hereby authorizes the officers of the District to execute all documents and take any other action necessary or advisable to carry out the purposes of the foregoing resolutions.

CERTIFICATE OF SECRETARY

The undersigned hereby certifies that I am the Secretary of Dudley Ridge Water District and that the foregoing Resolution was authorized by the Board of Directors of said District at a meeting thereof, duly and regularly held on May 12, 2021, at which meeting a quorum of the Board of Directors was at all times present and acting.

IN WITNESS THEREOF, I have set my hand this 12^h day of May 2021.

(DISTRICT
SEAL)



Steven D. Jackson, Secretary
Dudley Ridge Water District