

MINUTES OF THE SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF
PLEASANT VALLEY WATER DISTRICT

October 24, 2017

The Board of Directors of the Pleasant Valley Water District held a special board meeting on Tuesday, October 24, 2017 at 24505 West Dorris Avenue, Huron, California. A quorum was established and the meeting was called to order by President Brad Gleason at approximately 9:05 a.m. Directors attending the meeting were Craig Finster, Brad Gleason, Tom Lovelace, Ken Kreyenhagen, Don Devine and Ross Allen via teleconference. Director Rod Stiefvater was not in attendance. Others also in attendance were Brian Ehlers, Calvin Monreal, Rex Buchanan, Jim Anderson, Joseph Lovelace, Sarah Woolf, David Kahn, Richard Hewitson, Darla Harrel, Karla Montey, Cameron Hewitson, Stephen Julian, Jim Brixey, James Nichols, Chuck Herrin, Tim Worth and Donna Wilt, bookkeeper.

APPROVAL OF MINUTES. The minutes of the Special Board Meeting on April 25, 2017 were addressed. Calvin Monreal of Provost and Pritchard reported to the Board that after reviewing his notes, the 44,000 acre feet in the Minutes is correct. President Gleason and Brian Ehlers of Provost and Pritchard stated that under Section B.1 of the Groundwater Studies and Investigations, that the last sentence, “The budget allocated \$500,000 to construction projects to help bring more water into PVWD.” should be removed, it is incorrect. With this correction being made, Director Kreyenhagen motioned to approve the April 25, 2017 Minutes, which was second by Director Finster. The motion was unanimously approved by the attending Directors.

APPROVAL OF MINUTES. The minutes of the Special Board Meeting on July 25, 2017 were addressed. Director Kreyenhagen motioned to approve the July 25, 2017 Minutes, which was second by Director Lovelace. The motion was unanimously approved by the attending Directors.

PRESIDENT’S REPORT. President Gleason reported to the Board on the following item.

- A. Chevron – President Gleason met with Chevron. They would like to work with Pleasant Valley Water District and to give the District a presentation on how they fit in with the SGMA rules.

ADMINISTRATION. President Gleason discussed the following matter with the Board.

- A. District Counsel – Director Gleason, Director Lovelace, Director Finster and Rex Buchanan, as the Finance and Administration Ad-Hoc Committee, received recommendations on new Counsel. After recommendations and comments from other Directors, President Gleason chose Kahn, Soares and Conway, LLP as the new District Counsel. President Gleason introduced David Kahn of Kahn, Soares and Conway, LLP. Counsel Kahn gave a brief overview of his firm. Director Kreyenhagen confirmed with

Counsel Kahn that his firm does not do any business with any of the Board Member of PVWD.

- B. Engagement Letter – President Gleason will distribute the Engagement Letter with Kahn, Soares & Conway, LLP to the Directors. Upon Board approval of the Letter, Director Devine motioned to approve Kahn, Soares & Conway, LLP as the new District Counsel, which was second by Director Finster. It was unanimously approved by the attending Directors.

ENGINEER’S REPORT. Calvin Monreal and Brian Ehlers of Provost and Pritchard discussed the following matters with the Board.

- A. DWR – Calvin stated that the Department of Water Resources has pushed the reevaluation of the ranking of the sub-basins to the fall of 2017.
- B. Department of Corrections – Brian and Calvin met the California Water Regional Board. The Regional Board would like the tertiary treated water to be used for agriculture, not recharge. The cost and procedures for recharge are not feasible at this time. Director Devine and Jim Anderson suggested that the Board take the tertiary treated water and the Board can distribute it to interested landowners. President Gleason proposes to Provost and Pritchard that they go back to the Department of Corrections and state that Pleasant Valley Water District will take the tertiary treated water at no cost to the District. Department of Corrections can send a contract for Counsel Kahn to review. The landowners are responsible for all costs of the water and for getting the water to their land.
- C. Grants – Brian Ehlers would like to start researching for Grants for the PVWD. As a member of CASGEM, this will open up more Grant opportunities for PVWD. The cost is approximately \$3,500 for well monitoring. President Gleason suggested a workshop in the future for the well monitoring.
- D. Delta Mendota Water Authority – Calvin Monreal reported to the Board that Ara from DMWA is no longer there. He has moved over to Panoche Water District. Calvin will contact Ara to see who took his place and who is our new contact.

PRIVATE PIPELINE LANDOWNER’S REPORT. President Gleason gave a brief overview and Sarah Woolf discussed the following matters with the Board.

- A. Pipeline Update – Sarah Woolf reported to the Board that the Private Pipeline is up and running and began moving water in June. It has received approximately 2,000 acre feet. Sarah had Westlands Water District and Bureau of Reclamation out to tour the pipeline.
- B. 215 Water – Sarah Woolf reported to the Board that the Bureau of Reclamation seemed favorable on the District receiving 215 water on years that it is available. President Gleason would like Sarah to prepare a Draft Letter for 215 water if it becomes available.

FINANCIAL MATTERS. The Board reviewed the following matters.

- A. Balance Sheet – The Board reviewed and discussed the 2017-2018 Balance Sheet.
- B. 2017-2018 Budget – The Board reviewed and discussed the 2017-2018 Budget to Actual Report. President Gleason noted that as of September 30, 2017 we were under Budget due to timing differences.
- C. Ratify Bills – The Board reviewed bills that were paid after the July meeting. Director Finster moved to approve and ratify the bills, which was seconded by Director Lovelace. It was unanimously approved by the attending Directors.
- D. District's Tax Collector – Calvin Monreal reported to the Board that the assessments have been mailed out. Calvin stated that the assessments were based on the basin boundary.

ADJOURNMENT. The meeting was adjourned at approximately 10:00 am. There is a Special Board Meeting with a Landowner Workshop immediately following this meeting. The next meeting will be on Tuesday January 23, 2018 at 10:00 am.

Respectfully submitted,

James S. Anderson, Secretary