

**MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS
GARFIELD WATER DISTRICT
July 16, 2024**

1. President Pat Ricchiuti called the meeting to order at 12:33 p.m. In attendance were Directors Karl Kienow, Mark Johnson and Palmer Lien. Attorney Lauren Layne, and Secretary Paul Woodworth were also present. Engineer Nick Keller was absent. Director Bill Smittcamp was absent.

2. Approval of Minutes

It was moved by Palmer Lien and seconded by Mark Johnson to approve the minutes of the June 24, 2024 meeting. The Directors present unanimously approved the motion, with one member absent.

3. Business and Presentations from the Floor

None.

4. Additions to the Agenda

None.

It was moved by Karl Kienow and seconded by Mark Johnson to approve the agenda. The Directors present unanimously approved the motion, with one member absent.

5. Potential Conflicts of Interest - Board members were asked if any conflicts of interest existed.

No conflicts were identified.

6. Correspondence

A. Official state Social Security Administrator (CALPERS) Annual Information Request – Mr. Woodworth presented the annual notice received from CALPERS. Mr. Woodworth informed the Board he submitted the request and reviewed the submission confirmation report with the Board.

B. Fresno County 2024 Local Biennial Notice – Conflict of Interest - Mr. Woodworth presented the notice from the County Clerk's office. Ms. Layne provided background on the District's Conflict of Interest policy and the requirement to review it every five years for potential updates. Ms. Layne noted a minor update is required to the policy this year. Mr. Woodworth will submit the notice to the Clerk's office indicating the District will submit an amendment to its policy prior to the due date and after Board approval.

C. Chevron Pipeline Safety Resources – Emergency Information Notice – Mr. Woodworth provided the periodic underground pipeline informational packet sent out by Chevron.

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7. Financial Reports

A-I. Mr. Woodworth presented the monthly financials. Mr. Woodworth updated the Board on the District's operating funds cash balance, bank reconciliations, and profit and loss statement.

Mr. Woodworth noted that he did not receive the April, May, or June water meters readings due to the passing of Mr. Azadian. Mr. Woodworth will combine the April, May, and June water usage on the July financials.

Mr. Woodworth provided an update on the aged receivables. Mr. Woodworth discussed the County's 2nd bulk property assessment payment received. Mr. Woodworth noted he received an updated payment report (SE0062) from the County for payment application. Mr. Woodworth stated he has a planned call with Sean Touchstone from the County's accounting team to review the differences on the report and the two extra charges deducted from the payments.

Mr. Woodworth noted the Chelsea Downs envelope was returned for address correction. Mr. Woodworth will reach out to the HOA management team.

Mr. Woodworth provided an update on the water order receivables. Mr. Woodworth issued the third iteration of the Class 1 Water Allocation schedule based on 100% BOR allocation. Mr. Woodworth prepared and issued the supplemental water order forms to the water users based on the revised allocation schedule. Mr. Woodworth will update the allocation schedule after receipt of the supplemental order forms.

It was moved by Palmer Lien and seconded by Karl Kienow to accept the monthly financial reports. The Directors present unanimously approved the motion, with one member absent.

8. Bills to Pay

Mr. Woodworth provided the Board with the monthly bill payment report for approval.

Mr. Woodworth did not include the emergency water master payment for review and approval with the packet. Mr. Woodworth will add it to next bill payment packet for approval.

It was moved by Mark Johnson and seconded by Karl Kienow to approve the bill payment checks. The Directors present unanimously approved the motion, with one member absent.

9. Water Master Report

A. Mr. Woodworth provided the Friant Water Authority (FWA) monthly and year-to-date meter reading.

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Mr. Woodworth noted he received a call from Annette Reid regarding a small leak on Minnewawa Avenue near Copper Avenue. Mr. Woodworth notified Mr. Fernandez. Mr. Fernandez will monitor it and adjust the flow rate to reduce the amount of exposed water. He will coordinate with Mr. Keller on the type of repair needed at the location.

B. Mr. Keller was unable to attend the meeting due to illness, but informed Ms. Layne that the BOR reduced the District's Class 1 allocation to 90%, but it will not impact the water allocation schedule because the District is able to supplement it with its allocation of unrestricted restoration flow (URF) water. Mr. Keller will provide an update at the next Board meeting.

10. Continuing Business to consider and take action

A. North Kings Groundwater Sustainability Agency

Mr. Kienow stated the Board did not meet this month. Mr. Kienow noted the Board did meet in the prior month and approved the well mitigation plan (WMP). The implementation of the WMP is scheduled for October 1, 2024. Mr. Kienow believes it is a good thing for the District, but raised a concern that the Agency's Board approved the WMP prior to the Department of Water Resources (DWR) approval, which may cause a problem. Ms. Layne stated she does not believe it will be an issue for the District. Ms. Layne also noted the WMP does not cover wells over 50 years old. Wells newer than 50 years old will be subject to proration for each year active. Mr. Kienow also noted his concern over the fees paid by the larger members of the agency in the event they do not issue the required payments timely.

No action taken. This item will be added to the next Board meeting agenda.

B. Community West Bank Line of Credit

Ms. Salas will provide Mr. Woodworth with a new CD secured line-of-credit (LOC) application. President Ricchiuti will provide the name of his contact at Community West Bank to Mr. Woodworth to expedite the application processing.

No action taken.

C. Watermaster Position and Agreement

Mr. Woodworth informed the Board that Jesse Fernandez created Fernandez Irrigation Services LLC (FIS). Mr. Fernandez also obtained a quote for worker's compensation per the

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request of the District. Mr. Woodworth provided the worker's compensation quote amount Mr. Fernandez received.

Ms. Layne discussed the revised watermaster agreement and described the sections and requirements of the agreement. The new watermaster must carry worker's compensation and auto liability insurance.

Directors Lien and Kienow proposed a new monthly rate of \$2,650.00 for the position to assist the new watermaster in covering the insurance requirements.

It was moved by Palmer Lien and seconded by Karl Kienow to increase the monthly watermaster rate to \$2,650.00 per month and approve FIS as the new watermaster company subject to the signing of the agreement and proof of insurance.

Mr. Woodworth will work with Mr. Fernandez to obtain the required proof of insurance and signing of the agreement.

Mr. Woodworth will work with Director Johnson and Joseph Orndoff with AJG Risk Management Services, LLC to obtain a District worker's compensation policy quote.

D. Board of Directors Election Procedures and Timeline

Mr. Woodworth notified the board that he posted the election notifications at three separate locations within the District. He was unable to locate the post for the District's official notices. Directors Johnson and Kienow provided Mr. Woodworth with the correct location. Mr. Woodworth will post the additional notice on the post following the meeting. Mr. Woodworth will also publish the public notice in the Fresno Bee.

No action taken.

11. Public Hearing

(a) Mr. Ricchiuti opened the public hearing at 1:47 p.m.

Ms. Layne and Mr. Woodworth reviewed the updated assessment rate. No members of the public were present and no public comments were made.

(b) Mr. Ricchiuti closed the hearing at 1:56 p.m.

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12. New Business

A. Watermaster Position – this item was discussed in 10 C. and removed from the agenda.

No action taken.

B. 2025-2026 Annual Fiscal Budget

Mr. Woodworth presented the 2025-2026 draft budget. Mr. Woodworth discussed the updates and assumptions factored in the budget. Mr. Woodworth noted the additional increases in the depreciation expenses, legal and watermaster fees, repair costs, state fees, and website hosting. Director Kienow requested an additional increase to the watermaster and insurance line items per the discussion in Item 10 C.

It was moved by Karl Kienow and seconded by Mark Johnson to approve the 2025-2026 Annual Budget with the increased watermaster and insurance cost. The Directors present unanimously approved the motion, with one member absent.

C. Water User Property Assessment Rate for Fiscal Year 2025-2026 – Mr. Woodworth presented the proposed water user property assessment rate of \$103.03 per acre for the 2025-2026 fiscal year pursuant to the pricing schedule set as part of the District's Proposition 218 budget.

Mr. Woodworth presented the standard property assessment rate of \$27.50 per acre for the 2025-2026 fiscal year.

It was moved by Palmer Lien and seconded by Mark Johnson to set the water user property assessment to the maximum rate allowed of \$103.03 per acre under the Proposition 218 budget and to set the standard property assessment to \$27.50. The Directors present unanimously approved the motion, with one member absent.

D. Water Rate for Fiscal Year 2025-2026 – Mr. Woodworth presented the proposed water rate of \$200 for fiscal year 2025-2026. The rate was used to establish the approved fiscal budget.

It was moved by Karl Kienow and seconded by Mark Johnson to set the water rate at \$200.00 per AF. The Directors present unanimously approved the motion, with one member absent.

E. 2025-2026 Annual Assessment – Fresno County Special Assessments Special Tax Packet Board Resolution – Authorizing The Levy of the Special Assessments For Fiscal Year 2025/2026 and Requesting Fresno County Collect Such Specials Assessments - No action taken. This item will be added to the next Board meeting agenda.

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F. 2025-2026 Delinquent Assessments – Fresno County Special Assessments Special Tax Packet Board Resolution - Authorizing The Collection of Delinquent Special Assessments in Fiscal Year 2025/2026 and Requesting Fresno County Collect Such Delinquent Special Assessments - No action taken. This item will be added to the next Board meeting agenda.

13. Closed Session

None.

14. Next meeting is scheduled for July 30, 2024 and it will be held at P-R Farms, 2917 Shepherd Avenue, Clovis, California at 12:30 p.m.

15. The meeting adjourned at 02:35 p.m.