

# JAMES IRRIGATION DISTRICT

BOARD OF DIRECTORS - REGULAR MEETING

## MINUTES

October 8, 2024

### ATTENDANCE

#### DIRECTORS PRESENT

Riley Chaney, President  
Robert Motte, Vice-President  
Robert Barcellos  
Wm. Cory Carvalho  
Andrew Groppetti

#### PUBLIC

- RECLAMATION DISTRICT NO. 1606  
Gerald W. Kinnunen, President
- LANDOWNERS / GROWERS  
Sal Parra, Jr.
- McMULLIN AREA GROUNDWATER SUSTAINABILITY AGENCY  
Matt Hurley, General Manager  
Jerry Gragnani, Gragnani Farms et al  
Donnie Gragnani, Donnie Gragnani Farms

#### EXCUSED

None

#### ABSENT

None

#### STAFF PRESENT

Manny Amorelli, General Manager  
Kenneth Mancini, Superintendent  
Walter Flores-Barboza, Office Manager  
Donna Hanneman, Secretary

#### LEGAL COUNSEL

- YOUNG WOOLDRIDGE, LLP  
Alan F. Doud, Esq.
- BARTKIEWICZ KRONICK & SHANAHAN  
Jennifer T. Buckman, Esq. (Zoom)

#### CONSULTANTS

- LIGHTHOUSE PUBLIC AFFAIRS, LLC / CLOSED SESSION  
Andy Lynch (Zoom)

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### 1. CALL TO ORDER

The Regular Meeting of the Board of Directors of JAMES IRRIGATION DISTRICT ("District") was held Tuesday, October 8, 2024, in the District office located at 8749 Ninth Street, San Joaquin, California. The meeting was called to order at 10:00 a.m., by President, Riley Chaney. A quorum was at all times present and acting.

### 2. ADDITIONS / CORRECTIONS TO THE AGENDA

There were no corrections/additions to the Agenda.

### 3. POTENTIAL CONFLICTS OF INTEREST [FPPC §87105]

Directors were given an opportunity to identify potential conflicts-of-interest with items appearing on the Agenda. None were reported.

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## 4. PUBLIC COMMENTS

Members of the public were given an opportunity to directly address the Board to comment on any item of interest before or during consideration of the item. There were no comments offered.

## 5. OTHER BUSINESS

None

## 6. BOARD OF EQUALIZATION MEETING

The Board of Directors convened as a Board of Equalization from the hours of 10:00 a.m.-12:00 p.m. to hear public comments regarding objections to the valuation, acreage, or any matter pertaining to the 2024-2025 District Assessments.

Background: On October 12, 2021, pursuant to majority vote of District landowners, the Board adopted Resolution 2021-05 which authorized scheduled increases in assessments. The Resolution further stated, "...The Board is authorized to increase these maximums in each of the following six assessment years by no more than the rate reflected on the schedule below. In the event the District forgoes an increase in a given year, the Board may recover that increase in a subsequent year."

2021-22	Farm \$ 50.00/acre	Pasture \$3.75/acre
2022-23	Farm \$ 60.00/acre	Pasture \$4.50/acre
2023-24	Farm \$ 70.00/acre	Pasture \$5.25/acre
2024-25	Farm \$ 80.00/acre	Pasture \$6.00/acre
2025-26	Farm \$ 90.00/acre	Pasture \$6.75/acre
2026-27	Farm \$100.00/acre	Pasture \$7.50/acre

To date, the Board has elected to maintain the 2021-2022 rates and has not invoked increases per the approved schedule.

Informational spreadsheets were provided summarizing 2024-2027 projections reflecting the effect incremental assessment increases could have on supporting "fixed costs". Historically, the trend has been to keep assessments low supplemented by water sales.

Mr. Amorelli indicated the San Luis & Delta-Mendota Water Authority is anticipating a 20-40% allocation next year which will necessitate greater pumping. Power costs are the most volatile line item on the budget and are directly reflective of fluctuating/unstable CVP contract allocations. On a positive note, Mr. Amorelli reported activation of the Lateral K solar projects has had a positive impact on reducing power costs this fiscal year.

Considering the current economy, world events, depressed prices, high interest rates and lack of profitable crops available for planting on row-crop ground, fallowed acreage is anticipated to increase next year. One option posed was charging 1 acre-foot per acre on fallowed acreage.

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A myriad of issues were discussed at length, with concerns expressed for the adverse impact on the District's ability to plan for replacement and/or improvements in aging infrastructure as integrated into the Main Canal Improvement Project.

It was the general consensus that the responsibility of supporting and maintaining the District would best be equalized/stabilized by increasing assessments rather than compensating by increasing irrigation billing rates with fluctuating water sales. Upon inquiry, Messrs. Parra and Gragnani, who farm in several districts, indicated other districts are having to implement increases, as well.

## 7. MINUTES

- a. REGULAR MEETING: SEPTEMBER 10, 2024
- b. SPECIAL MEETING: SEPTEMBER 12, 2024
- c. SPECIAL MEETING: SEPTEMBER 19, 2024

M/S/C (R.MOTTE / A.GROPPETTI), to APPROVE as presented by the following vote:

**AYES:** 5 (R.Motte, A.Groppetti, R.Barcellos, W.Carvalho, R.Chaney)

## 8. TREASURER'S REPORT

In accordance with Water Code §24273, Mr. Amorelli presented reports as follows:

### FINANCIAL REPORTS

- a. Interim Warrants: September 11-October 8, 2024 (Att.1)
- b. Accounts Payable (Att.2)  
Interim Warrants (bills paid) with supporting invoices and Accounts Payable invoices (unpaid bills) were presented for review/approval. M/S/C (A.GROPPETTI / R.BARCELLOS), to RATIFY/APPROVE Interim Warrants totaling \$878,163.72 and AUTHORIZE/APPROVE payment of Accounts Payable totaling \$184,090.78 by the following vote:  
**AYES:** 5 (A.Groppetti, R.Barcellos, W.Carvalho, R.Motte, R.Chaney)
- c. Payroll Certification: Pay Periods Ending September, 2024 (Att.3)  
A listing of payroll checks totaling \$79,534.72 (net) issued to employees and members of the Board was reviewed and certified by the President, General Manager and Office Manager.
- d. Income Statements (Budget-to-Actual): Period Ending September 30, 2024
- e. Quarterly Report of Financial Investments: September 30, 2024 Gov. Code §53646

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- f. Cash Position Report: September 30, 2024
- g. Schedule of Long-Term Debt/Notes Payable: September 30, 2024
- h. Accounts Receivable Activity Report: September 30, 2024

## 9. **GENERAL MANAGER'S REPORT**

Mr. Amorelli presented his verbal report encompassing operations, maintenance, projects and other District matters for the month of September, 2024, as follows:

### OPERATIONS

- ▶ Water Deliveries: September, 2024 - Water deliveries for the month of September were 4,445 acre-feet which is 965 acre-feet more than was delivered during September, 2023. The fiscal year-to-date total deliveries are at 43,857 acre-feet which is 4,268 acre-feet more than was delivered at this time during the last fiscal year.
- ▶ Weekly TDS Readings: September 30, 2024

### AGENCIES

- ▶ James Groundwater Sustainability Agency (James GSA) met September 26<sup>th</sup>. Adopted a well mitigation policy which is in harmony with the policies adopted by the other Kings Groundwater Subbasin GSA members.
- ▶ Reclamation District No. 1606 quarterly meeting was held September 19<sup>th</sup>. General housekeeping items were addressed.
- ▶ Fresno Irrigation District (FID) - Met with FID representatives on September 15<sup>th</sup> to explore collaborative projects. Plan to meet quarterly with the next meeting scheduled for October 24<sup>th</sup>.
- ▶ Kings Basin Coordination Meeting met and addressed a domestic well mitigation policy to be included in the updated Groundwater Sustainability Plan.
- ▶ McMullin Area Groundwater Sustainability Agency (MAGSA)
  - Met with County Supervisor Brian Pacheco, in his role as a board member of MAGSA at an ad hoc meeting on September 12<sup>th</sup> to explore ways in which we might collaborate on projects.
  - Attended the Scoping Meeting/presentation of the Environmental Impact Report for the Aquaterra Water Bank project on September 18<sup>th</sup>.

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## ACTIVITIES

- ▶ Employee Appreciation Luncheon was held September 19<sup>th</sup>.

## ADMINISTRATIVE ITEMS

- ▶ Ditchtender / Maintenance interviews are being conducted subsequent to the resignation of Victor Ramirez Berber on September 13<sup>th</sup>.

## 10. SUPERINTENDENT'S REPORT

Superintendent, Kenneth Mancini, reported on the following activities.

- ▶ General maintenance including mowing, spraying
- ▶ Aquatic weed control for late season moss, pond weed

## 11. DIRECTORS' REPORTS

Directors were given an opportunity to inform the Board of meetings and/or conferences attended on behalf of the District. None were reported.

## 12. ACTION ITEMS

### a. WINTER DELIVERIES (08/13/2019)

Growers have not expressed an interest in winter deliveries. NO ACTION TAKEN.

### b. RATHMANN ON-FARM RECHARGE PROJECT (10/08/2024)

Discussed solicitation of bids for an agricultural lease on the Rathmann On-Farm Recharge Project site. Reviewed a draft Agricultural Lease document (Att.4) modeled after leases issued by Reclamation District No. 1606, draft memorandum soliciting bids (Att.5) and draft bid submission form (Att.6).

M/S/C (R.CHANEY / W.CARVALHO) to:

- (1) APPROVE Agricultural Lease document as drafted.
- (2) SOLICIT BIDS for a 5-year agricultural lease of 87.85± deeded acres at the Rathmann On-Farm Recharge facility at a minimum bid of \$150.00/acre.

**AYES:** 5 (R.Chaney, W.Carvalho, R.Barcellos, A.Groppetti, R.Motte)

### c. TERMINATION OF 2024 DISTRICT DELIVERIES (10/08/2024)

M/S/C (R.CHANEY / W.CARVALHO) to TERMINATE 2024 DELIVERIES FRIDAY, DECEMBER 6, 2024 to allow for annual system maintenance/repair.

**AYES:** 5 (R.Chaney, W.Carvalho, R.Barcellos, A.Groppetti, R.Motte)

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## 13. REPORT ITEMS

a. ETHICS TRAINING (06/20/2006)

Mr. Amorelli noted most biennial training certificates expire December, 2024. He will arrange for General Counsel to conduct the mandatory 2-hour class later this year.

### ADJOURNED TO CLOSED SESSION AT 11:11 A.M.

Directors Attending:

Riley Chaney, President  
Robert Motte, Vice-President  
Robert Barcellos, Director  
Wm. Cory Carvalho, Director  
Andrew Groppetti, Director

Consultants:

- Lighthouse Public Affairs, LLC  
Andy Lynch (Zoom)

Legal Counsel

- Young Wooldridge, LLP  
Alan F. Doud, Esq. (Zoom)
- Bartkiewicz Kronick & Shanahan  
Jennifer T. Buckman, Esq. (Zoom)

Staff Attending

Manny Amorelli, General Manager

## 14. CLOSED SESSION: GOVERNMENT CODE §54956.9 - CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION

a. SIGNIFICANT EXPOSURE TO LITIGATION PURSUANT TO PARAGRAPH (2) OR (3) OF SUBDIVISION (D):

4 CASES

## 15. CLOSED SESSION: GOVERNMENT CODE §54956.9 - CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION

AS DEFENDANT: 3 CASES

a. NATURAL RESOURCES DEFENSE COUNCIL, ET AL, V HAALAND, ET AL

U.S. District Court for the Eastern District of California  
Case No. 1:5-CV-01207LJO-GSA

b. CENTER FOR BIOLOGICAL DIVERSITY, RESTORE THE DELTA AND PLANNING & CONSERVATION LEAGUE V UNITED STATES BUREAU OF RECLAMATION ET AL (06/08/2021)

United States District Court, Eastern District of California  
Case No. 1:20-CV-00706 DAD-EPG

c. MCMULLIN AREA GROUNDWATER SUSTAINABILITY AGENCY V JAMES IRRIGATION DISTRICT Fresno County Superior Court Case No. 24CECG03049 (08/13/2024)

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AS PLAINTIFF: 2 CASES

- d. KINGS RIVER WATER ASSOCIATION ET AL V. JAMES VERBOON ET AL  
Kings County Superior Court, Case No. 15 C0304
- e. JAMES IRRIGATION DISTRICT V. MCMULLIN AREA GROUNDWATER SUSTAINABILITY AGENCY  
Santa Clara County Superior Court, Case No. 23CV417565

AS INTERVENOR: 1 CASE

- f. CITY OF FRESNO, ET AL V. UNITED STATES OF AMERICA  
United States Court of Federal Claims, Case No. 1:16-CV-01276-MCW

## 16. CLOSED SESSION: GOVERNMENT CODE §54956.8 - CONFERENCE WITH REAL PROPERTY NEGOTIATOR

- a. JAMES & TRANQUILLITY NEGOTIATIONS  
Negotiating Parties: James Irrigation District: General Manager/Designee  
Tranquillity Irrigation District: Danny Wade  
Kings River Lower River Units: Scott Sills  
Under Negotiation: Price, terms & conditions of possible real property and/or water supply transactions
- b. SOUTHWEST GROUNDWATER RECHARGE PROJECT (11/13/2012)  
Negotiating Parties: James Irrigation District: General Manager/Designee  
Fresno Irrigation District: Bill Stretch  
Under Negotiation: Price, terms and conditions of possible real property and/or water supply transactions, operations & maintenance.
- c. WATER BANKING & TRANSFERS (04/19/2018)  
Negotiating Parties: James Irrigation District: General Manager/Designee  
To Be Determined  
Under Negotiation: Price, terms and conditions of possible water supply transactions.
- d. WATER BANKING & TRANSFERS: MCMULLIN AREA GSA (06/22/2021)  
Negotiating Parties: James Irrigation District: General Manager/Designee  
McMullin GSA: Matthew Hurley, General Manager  
Under Negotiation: Price, terms and conditions of possible water supply transactions.

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**RECONVENED IN OPEN SESSION AT 11:58 A.M.**

**17. REPORT ON ACTIONS TAKEN DURING CLOSED SESSION** Gov. Code 54957.1

General Manager, Manny Amorelli, stated no reportable actions were taken during the Closed Session.

**18. BOARD OF EQUALIZATION - CLOSE MEETING**

The Board DEFERRED action levying the 2024-2025 annual assessments to a Special Meeting on Thursday, October 17, 2024, at 10:00 a.m. Landowners and growers will be notified and encouraged to participate. Staff was requested to provide projections in greater detail for evaluation at that meeting.

**19. ADJOURN**

There being no further business to come before the Board, M/S/C (W.CARVALHO / R.CHANEY), to ADJOURN the meeting at 12:14 p.m., until the next Special Meeting scheduled for Thursday, October 17, 2024, by the following vote:

**AYES:** 5 (W.Carvalho, R.Chaney, R.Barcellos, A.Groppetti, R.Motte)

**RECORDED BY:**

**APPROVED BY:**

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Donna Y. Hanneman, Secretary

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Riley Chaney, President

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Manny Amorelli, General Manager

**ATTACHMENTS:**

1. Interim Warrants: September 11-October 8, 2024, \$878,163.72
2. Accounts Payable: \$184,090.78
3. Payroll Certification: Pay Periods Ending September, 2024, \$79,534.72 (net)
4. Agricultural Lease, Rathmann On-Farm Recharge Project, APN 030-111-48S 66.64 acres, APN 030-111-49S 39.00 acres (Draft)
5. Solicitation of Bids / Agricultural Farm Lease (Draft)
6. Bid to Lease District Property - 5-Year Term, Rathmann On-Farm Recharge Project (Draft)