

JAMES IRRIGATION DISTRICT

BOARD OF DIRECTORS - SPECIAL MEETING

MINUTES

October 17, 2024

ATTENDANCE

DIRECTORS PRESENT

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

EXCUSED

None

ABSENT

None

STAFF PRESENT

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

PUBLIC

• LANDOWNERS / GROWERS

Justin Ayerza, A&A Farms
Matthew Carvalho, C-B Ag Ops, Carvalho & Sons
Gerald W. Kinnunen
Salvador Parra, Jr.
Oscar Diaz, Gold Leaf Farms
Hyeong Shin, Gold Leaf Farms

LEGAL COUNSEL

• YOUNG WOOLDRIDGE, LLP

Alan F. Doud, Esq. (Zoom)

1. CALL TO ORDER

The Special Meeting of the Board of Directors of JAMES IRRIGATION DISTRICT (“District”) was held Thursday, October 17, 2024, in the District office located at 8749 Ninth Street, San Joaquin, California. The meeting was called to order at 1:00 p.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 at this time.

5. OTHER BUSINESS

- a. MOMENT OF SILENCE was observed to honor the passing of FRANK ELLSWORTH "BUCKY" MORROW III, (1947-2024), husband of landowner, Beverly Niboli Morrow.

6. BOARD OF EQUALIZATION MEETING

The Board of Directors convened as a Board of Equalization to hear public comments regarding objections to the valuation, acreage, or any matter pertaining to the 2024-25 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."

Assessment Period	Farm Land		Pasture	
	Rate/Acre	Increase	Rate/Acre	Increase
2020-2021	\$21.00	n/a	\$1.58	n/a
2021-2022	\$50.00	\$29.00	\$3.75	\$2.18
2022-2023	\$60.00	\$10.00	\$4.50	\$0.75
2023-2024	\$70.00	\$10.00	\$5.25	\$0.75
2024-2025	\$80.00	\$10.00	\$6.00	\$0.75
2025-2026	\$90.00	\$10.00	\$6.75	\$0.75
2026-2027	\$100.00	\$10.00	\$7.50	\$0.75

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

The Board convened as a Board of Equalization at their Regular Meeting on October 8, 2024. Seeking greater public participation, they deferred action on levying the 2024-2025 annual assessments and scheduled today's Special Meeting. Landowners and growers were notified and encouraged to participate in today's discussion.

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Discussions with Board members and members of the public resulted in revised Budget Projections by refining categorization of “fixed” versus “operating” costs. Copies were distributed for review. (Att.1)

Numerous comments followed:

- ▶ Director Motte noted approximately one-half of the District is planted to permanent crops where irrigation is assured. However, increasing fallowed acreage is adversely impacting the District’s cash flow. He suggested 1 acre-foot per acre/\$185.00 be charged to fallowed lands. General Counsel, Alan Doud cautioned, “The District cannot charge for a service not rendered”.
- ▶ President Riley Chaney stated assessments should cover “fixed” costs and should be borne equally by all landowners. A spirited debate ensued over what constitutes a “fixed” versus “operating” cost.
- ▶ Salvador Parra, Jr., commented incremental increases of \$10/year would have been easier to tolerate rather than a single \$30 increase.
- ▶ Director Andrew Groppetti indicated, “Assessments should provide sufficient income to keep the District open and viable even if no water is sold”.
- ▶ Director Cory Carvalho expressed his hope that the District could stabilize its cash flow by increasing assessments rather than having to rely on continuously fluctuating water sales.

7. GENERAL MANAGER’S REPORT

No report.

8. 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.

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9. BOARD OF EQUALIZATION - CLOSE MEETING

Hearing no objections and ordering no changes, MOTIONED BY Director Wm. Cory Carvalho, SECONDED BY Director Robert Barcellos, to APPROVE 2024-2025 annual assessments be levied against lands within the District pursuant to landowner vote and adoption of Board Resolution 2021-05 on October 12, 2021, in accordance with California Water Code §25650 as follows:

Assessment Period	Farm Land		Pasture	
	Rate/Acre	Increase	Rate/Acre	Increase
2024-2025	\$75.00	\$25.00	\$6.00	\$2.25

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

The Board of Equalization meeting was then closed.

ADJOURNED TO CLOSED SESSION AT 1:31 P.M.

Directors Attending:

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

Staff Attending

Manny Amorelli, General Manager

Legal Counsel

- Young Wooldridge, LLP
Alan F. Doud, Esq. (Zoom)

10. 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

11. 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

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

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

12. 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 2:29 P.M.

13. REPORT ON ACTIONS TAKEN DURING CLOSED SESSION Gov. Code 54957.1

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

14. ADJOURN

There being no further business to come before the Board, the meeting was ADJOURNED at 2:30 p.m., until the next Regular Meeting scheduled for Tuesday, November 12, 2024.

RECORDED BY:

APPROVED BY:

Donna Y. Hanneman, Secretary

Riley Chaney, President

Manny Amorelli, General Manager

ATTACHMENTS:

1. Possible Budget from Assessment Increase 3% 2021-22 - 2026-2027