

**MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
BERRENDA MESA WATER DISTRICT
MAY 7, 2020**

A regular meeting of the Board of Directors of Berrenda Mesa Water District was held via video and phone conference on May 7, 2020 at 9:30 a.m. by video and phone conference.

CALL TO ORDER

President Goff called the meeting to order at 9:30 a.m. and presided thereat.

ROLL CALL

The following Directors were present: Rob Goff, Alan Scroggs, Steve Jackson, and Leon Elwell.

Director Robert E. Baker was not in attendance.

Also present were: Alan Becker; Kel Mitchell; Oscar Mello; Kris Lawrence; Mary King; Kim Constant; Steve Bottoms; Gnell Sparks; Phil Nixon, Manager, and Joe Hughes, Legal Counsel.

APPROVAL OF MINUTES

On motion of Alan Scroggs, seconded by Steve Jackson, and unanimously carried, the minutes of the regular meetings of March 5, 2020 and April 2, 2020, were approved on the following roll call vote:

AYES: Rob Goff
Alan Scroggs
Steve Jackson
Leon Elwell

NOES: None

ABSENT: Robert E. Baker

MANAGER'S REPORT

The Manager updated the Board on the following topics: (See Exhibit "E").

2020 Water Supplies: The 2020 SWP allocation remains at 15 percent. DWR's April 1, 2020 90 percent exceedance studies (9 out of 10 years on average are wetter) show a potential allocation range

of 15 percent to 16 percent depending on delta restrictions. Normally, DWR uses the moderate 90 percent exceedance study for SWP allocation purposes and this month that study indicated 16 percent. The 50 percent studies (average) indicate a potential range of 19 to 20 percent. DWR also ran a 99 percent exceedance study assuming moderate delta restrictions which indicated a 16 percent allocation. DWR's May 1, 2020 studies should be available the third week of May.

The State share of San Luis Reservoir (SLR) was about .949 MAF and Oroville storage was about 2.48 MAF as of May 3, 2020.

2020 Supplemental Water: District staff continues to work with other members of the Westside 5 group and Agency staff to secure supplemental supplies.

State Water Contractors are continuing to work on development of the 2020 Dry Year Transfer Program (DYTP). SWCs offered sellers \$350/AF north of delta (NOD) and are working to finalize agreements with sellers. An updated estimate of the amount of DYTP water available to the Districts should be available within two weeks.

An estimate regarding the availability of Yuba water should be available to the Districts within two weeks. The final buyer commitment for the C4 water (groundwater substitution water, similar to the DRTP) are due May 15, 2020.

Director Robert E. Baker joined at this point in the meeting.

Sharon Roden and Jeff Iniguez joined at this point in the meeting.

ATTORNEY'S REPORT

No report.

OLD BUSINESS

Westside Water Authority:

Westside Water Quality Coalition: Kris Lawrence reported on the following matters pertaining to the Westside Water Quality Coalition (WWQC): 1) the Basin Plan Amendment Workplan was approved by the CV-SALTS executive committee. Staff is planning to meet with RWQCB to discuss a path forward; 2) the summer Groundwater Quality Trend Monitoring will begin the week of July 20, 2020 and WWQC is looking to add wells to the network; and 3) the Management Practices Implementation Report to inform compliance with the Comprehensive Groundwater Management Plan is being developed.

Biological Opinions/Incidental Take Permit: The Manager reported on the following matters pertaining to the biological opinions and the incidental take permit: 1) the biological opinions were issued by Federal Fisheries for the endangered species act on October 2019; 2) the State announced its decision to sue on November 2019; 3) environmental groups filed lawsuits; 4) the incidental take permits were issued by State Fisheries for the California Endangered Species Act on March 2020; and 5) the State Water Contractors and the Metropolitan Water District filed lawsuits in May 2020.

Delta Conveyance Facility: The Manager reported on the following matters pertaining to the Delta Conveyance Facility: 1) the Agreement in Principle negotiations are complete; 2) finalizing AIP document along with White Paper detailing water forecasting and accounting processes; 3) contractors decision timeline is uncertain; 4) an updated cost estimate is expected by the end of May; 5) an updated modeling estimate is expected by the end of May; 6) discussions continue regarding the Ag and Urban transfer; and 7) a joint Board meeting and landowner meeting may be held in June or July 2020.

Review WWA Status: The Manager reported that WWA is operating and Belridge Water Storage District and Lost Hills Water District employees were shifted to WWA April 1, 2020. WWA email accounts will be established shortly. The District is working with a consultant to help with the KCERA declining payroll policy calculation.

The Manager reported that the working group tasked with the search for the General Manager planned to recommend the WWA Board extend an offer to the chosen candidate. However, due to unexpected issues, the candidate withdrew himself from the position. Staff and the working group tasked with the General Manager search will continue to work with John Rossi of Ralph Anderson and Associates to find a new candidate for the position.

District Solar Project: Kris Lawrence reported on the following activities pertaining to the District Solar Project: 1) the third party has gathered enough data to finalize the interconnection cost : once staff receives a revised PG&E connection cost, a sixty day negotiation period will begin; 2) permits have been filed with Kern County; and 3) PvSyst report, detailing the solar project specifications, showed a power output lower than what was stated in the PPA and PeGu: Staff is discussing the lower output with Tesla to determine the cause of the decrease.

KCERA Update: The Manager reported Bartel Associates prepared a review and analysis of the KCERA Declining Payroll and Termination Policies. The results of the study identified an inconsistency in the calculation of the Berrenda Mesa Water District unfunded actuarial accrued liability (UAAL) and additional areas for evaluation. Staff requested a recalculation of the BMWD UAAL and has received no response from KCERA. Bartel and Associates suggested Jonathan Holtzman of Renne Public Law Group to assist the District further. Staff recommended the Board retain Jonathan Holtzman of Renne Public Law Group to assist the District with the preliminary review and

assistance with the calculations of the BMWD UAAL for a fee not to exceed \$6,000.00. Following discussion, on motion of Robert E. Baker, seconded by Alan Scroggs, and unanimously carried, the Board approved the action to retain Jonathan Holtzman of Renne Public Law Group to assist the District with the preliminary review and assist with the calculations of the BMWD UAAL for a fee not to exceed \$6000.00 on the following roll call vote:

AYES: Rob Goff
Alan Scroggs
Steve Jackson
Leon Elwell
Robert E. Baker

NOES: None

ABSENT: None

NEW BUSINESS

Notice of Exemption for Coastal Pumping Plant Travelling Screen Protection: The Manager presented the notice of exemption (NOE) related to the travelling screen that staff would like to install in the Coastal branch for the Coastal pumping plant. Staff recommended that the Board authorize the filing of the NOE. Following discussion, on motion of Steve Jackson, seconded by Leon Elwell, and unanimously carried, the Board approved the action to file the NOE for the Coastal Pumping Plant Travelling Screen on the following roll call vote:

AYES: Rob Goff
Alan Scroggs
Steve Jackson
Leon Elwell
Robert E. Baker

NOES: None

ABSENT: None

PUBLIC COMMENT

Leon Elwell inquired on Staff’s plan to distribute financial information to the District now that WWA is managing the financial information.

The Manager replied that Staff is working out a plan to distribute the individual District’s financial information through email prior to Board meetings.

Leon Elwell also inquired on how the District will approve financial reports.

Legal Counsel replied that a process needs to be created for the District to approve the financial reports and authorize WWA to approve financial reports that would be determined by the Budget previously approved by the District.

CLOSED SESSION

No closed session.

ADJOURNMENT

There being no further business to come before the Board, the President asked for a motion for adjournment. Upon motion of Alan Scroggs, seconded by Robert E. Baker, and unanimously carried, said meeting was adjourned at 10:12 a.m.



Phil Nixon, Secretary

ATTEST:



Rob Goff, President

Berrenda Mesa Water District

Statement of Net Position

As of May 31, 2020

ASSETS

Current Assets

Bank Accounts

1100 Bank Accounts \$ 2,959,338.49

1200 Investments \$ 4,455,854.18

Total Bank Accounts \$ 7,415,192.67

Accounts Receivable

1310 Accounts Receivable (A/R) 789,321.11

Total Accounts Receivable \$ 789,321.11

Other Current Assets

Total 1400 Inventory Asset \$ 3,155,447.00

1530 Prepaid Landowner Expenses -\$ 1,046,236.43

1570 Interest Receivable 8,402.92

1575 Domestic Line Receivable 990,618.04

Total Other Current Assets \$ 3,108,231.53

Total Current Assets \$ 11,312,745.31

Fixed Assets

1600 Fixed Assets \$ 16,610,961.02

Total Fixed Assets \$ 16,610,961.02

Other Assets

1701 Deferred Outflows of Resources 130,149.00

Total Other Assets \$ 130,149.00

TOTAL ASSETS \$ 28,053,855.33

LIABILITIES AND EQUITY

Liabilities

Current Liabilities

Accounts Payable

2110 Accounts Payable (A/P) 2,265,096.65

Total Accounts Payable \$ 2,265,096.65

Other Current Liabilities

2210 Due to Others \$ 20,700.53

2220 Other Accounts Payable \$ 893,580.31

2250 Interest Payable 7,936.00

2260 Accrued Liability - Banked Water 3,155,447.00

2270 Accrued Vacation 14,270.04

Total Other Current Liabilities \$ 4,091,933.88

Total Current Liabilities \$ 6,357,030.53

Long-Term Liabilities

2600 Net Pension Liability 975,922.00

2700 Deferred Inflows of Resources 412,731.00

Total Long-Term Liabilities \$ 1,388,653.00

Total Liabilities \$ 7,745,683.53

Equity

3100 Fund Balances 19,760,660.99

Net Income 547,510.81

Total Equity \$ 20,308,171.80

TOTAL LIABILITIES AND EQUITY \$ 28,053,855.33

Berrenda Mesa Water District
Profit & Loss Budget Performance
May 2020

	May 2020	Jan - May 20	Annual Budget	% of Budget
Income				
4000 Revenue				
4100 Water Revenues	\$ 137.00	\$ 11,019,520.42	\$ 22,039,137.00	50.00%
4200 Tax Revenues	\$ 623,165.67	\$ 623,165.67	\$ 624,000.00	99.87%
4300 Lease Revenues	\$ 2,938.08	\$ 29,537.72	\$ 55,000.00	53.70%
Total Income	\$ 626,240.75	\$ 11,672,223.81	\$ 22,718,137.00	51.38%
Gross Profit	\$ 626,240.75	\$ 11,672,223.81	\$ 22,718,137.00	51.38%
Expenses				
5100 Contract Water	\$ 0.00	\$ 9,333,654.00	\$ 15,270,445.00	61.12%
5200 Energy	\$ 145,051.14	\$ 465,991.58	\$ 4,038,730.00	11.54%
5300 Water Banking	\$ 0.00	\$ 319,117.42	\$ 624,000.00	51.14%
5400 Operation & Maintenance				
5410 Pump Stations	\$ 160,954.97	\$ 565,686.19	\$ 817,000.00	69.24%
5420 Structures/Systems				
5421 Canal Maintenance	\$ 0.00	\$ 6,666.66	\$ 210,000.00	3.17%
5422 Weed Control	\$ 53.30	\$ 427.45	\$ 98,000.00	0.44%
5423 Meters	\$ 0.00	\$ 115.38	\$ 10,000.00	1.15%
5424 Telemetry	\$ 0.00	\$ 388.62	\$ 10,000.00	3.89%
5425 JES Services		2,619.14	18,500.00	14.16%
5426 Valve Repair	337.84	843.77	5,000.00	16.88%
5427 Traveling Screens			42,000.00	0.00%
Total 5420 Structures/Systems	\$ 391.14	\$ 11,061.02	\$ 393,500.00	2.81%
5433 Vehicles	\$ 1,698.79	\$ 21,074.42	\$ 79,000.00	26.68%
5440 Personnel				
5441 Salary / Wages				
5441.1 O&M Base Wages	12,431.33	63,521.93	162,000.00	39.21%
5441.2 O&M Overtime	3,073.30	14,022.37	41,000.00	34.20%
Total 5441 Salary / Wages	\$ 15,504.63	\$ 77,544.30	\$ 203,000.00	38.20%
5442 Payroll Taxes	\$ 224.82	\$ 1,124.39	\$ 3,160.00	35.58%
5443 Health Benefits	\$ 6,573.09	\$ 33,671.07	\$ 79,750.00	42.22%
5444 Retirement	6,001.56	29,893.92	419,000.00	7.13%
5445 Workers Compensation		5,053.80	22,000.00	22.97%
5446 Miscellaneous/Safety			1,500.00	0.00%
5447 Training & Education			2,000.00	0.00%
5449 Uniforms		270.00	6,500.00	4.15%
Total 5440 Personnel	\$ 28,304.10	\$ 147,557.48	\$ 736,910.00	20.02%
5450 Office	\$ 5,098.58	\$ 19,051.26	\$ 51,000.00	37.36%
5460 Shop	\$ 1,242.11	\$ 6,783.85	\$ 20,000.00	33.92%
5470 General Maintenance	\$ 0.00	\$ 1,214.74	\$ 116,500.00	1.04%
5480 O & M Shared Services	\$ 10,493.15	\$ 51,199.31	\$ 367,000.00	13.95%
Total 5400 Operation & Maintenance	\$ 208,182.84	\$ 823,628.27	\$ 2,580,910.00	31.91%
5600 Administration				

Berrenda Mesa Water District
Profit & Loss Budget Performance
May 2020

	May 2020	Jan - May 20	Annual Budget	% of Budget
5610 Personnel		\$ 28.25	\$ 0.00	
5620 Office				
5621 Supplies	9.33	486.36		
5622 Building	\$ 2,750.00	\$ 8,525.00	\$ 33,000.00	25.83%
5625 Membership / Dues	657.00	32,690.75	182,420.00	17.92%
5626 Travel			1,000.00	0.00%
5627 Utilities	204.08	1,175.48	6,000.00	19.59%
5628 Office Equip Maint & Repair			500.00	0.00%
Total 5620 Office	\$ 3,620.41	\$ 42,877.59	\$ 222,920.00	19.23%
5630 Professional Services				
5631 Legal	\$ 4,750.00	\$ 24,002.00	\$ 77,000.00	31.17%
5632 Audit			19,000.00	0.00%
5633 Engineering	2,628.60	34,177.90	130,000.00	26.29%
5634 Computer Consultants	1,368.00	11,800.65	23,500.00	50.22%
5635 Payroll Processing Fees	488.42	2,468.03	6,400.00	38.56%
5636 Consulting	5,353.00	21,986.84	25,000.00	87.95%
Total 5630 Professional Services	\$ 14,588.02	\$ 94,435.42	\$ 280,900.00	33.62%
5640 Directors Fees and Travel	\$ 800.00	\$ 3,300.00	\$ 4,000.00	82.50%
5650 Misc Administrative Expenses				
5653 Insurance & Bonds		12,355.27	18,000.00	68.64%
5655 Management Costs		89,909.57	354,667.00	25.35%
5656 Kern Fan Monitoring Committee			5,000.00	0.00%
5657 Publications & Legal Notices			500.00	0.00%
5658 Property Taxes			15,000.00	0.00%
5659 Environmental Compliance	320.00	6,041.00	7,000.00	86.30%
5660 Solar Project	5,500.00	11,000.00		
Total 5650 Misc Administrative Expenses	\$ 5,820.00	\$ 119,305.84	\$ 400,167.00	29.81%
Total 5600 Administration	\$ 24,828.43	\$ 259,947.10	\$ 907,987.00	28.63%
5700 Interest	\$ 200.00	\$ 1,000.00	\$ 2,400.00	41.67%
Total Expenses	\$ 378,262.41	\$ 11,203,338.37	\$ 23,424,472.00	47.83%
Net Operating Income	\$ 247,978.34	\$ 468,885.44	-\$ 706,335.00	-66.38%
Other Income				
6200 Interest & Penalties	\$ 276.38	\$ 33,328.76	\$ 55,000.00	60.60%
6300 Miscellaneous Revenues	\$ 10,085.16	\$ 60,380.22	\$ 706,335.00	8.55%
Total Other Income	\$ 10,361.54	\$ 93,708.98	\$ 761,335.00	12.31%
Other Expenses				
7100 Non-Budgeted Expenses		\$ 15,083.61	\$ 0.00	
8100 Capital Expenditures	\$ 0.00	\$ 0.00	\$ 55,000.00	0.00%
Total Other Expenses	\$ 0.00	\$ 15,083.61	\$ 55,000.00	27.42%
Net Other Income	\$ 10,361.54	\$ 78,625.37	\$ 706,335.00	11.13%
Net Income	\$ 258,339.88	\$ 547,510.81	\$ 0.00	

Berrenda Mesa Water District
Exhibit B - Warrant List for Ratification
March 6 - June 3, 2020

Date	Num	Vendor	Amount
1100 Bank Accounts			
1110 Operations			
1110.2 Operations - Berrenda Mesa			
04/02/2020	EC	Valley Republic Bank Card - SB	-768.60
04/02/2020	1616	AAA Quality Services, Inc.	-905.59
04/02/2020	1617	ADT Security Services	-203.70
04/02/2020	1618	Airgas USA, LLC.	-82.40
04/02/2020	1619	AMA Properties, LLC.	-2,045.75
04/02/2020	1620	Aquilogic, Inc.	-16,203.64
04/02/2020	1621	AT & T- 050 703 5652 001	-41.04
04/02/2020	1622	AT&T (Wireless)	-317.11
04/02/2020	1623	Avadine	-1,100.00
04/02/2020	1624	Belridge Water Storage District	-4,609.91
04/02/2020	1625	Confidence UST Services, Inc.	-95.00
04/02/2020	1626	Cooper's Petroleum	-574.55
04/02/2020	1627	Elwell, Leon	-100.00
04/02/2020	1628	Evans-Hydro, Inc. Service Division	-19,069.43
04/02/2020	1629	Fastenal	-736.82
04/02/2020	1630	Frontier	-487.29
04/02/2020	1631	Gutierrez Tire Service	-49.45
04/02/2020	1632	Home Depot Pro	-379.24
04/02/2020	1633	Jackson, Steven	-100.00
04/02/2020	1634	Joint Electrical Services	-4,188.36
04/02/2020	1635	JR'S Gardening Service	-575.00
04/02/2020	1636	Kern County Water Agency	-58,783.21
04/02/2020	1637	Klein, DeNatale, Goldner, Cooper, LLP	-4,750.00
04/02/2020	1638	Lost Hills Utility District	-1,792.02
04/02/2020	1639	Lost Hills Water District	-143,087.89
04/02/2020	1640	Mission Linen Supply	-158.97
04/02/2020	1641	Nationwide Retirement Solutions	-90.00
04/02/2020	1642	NJG Corporation International Water Screens	-20,084.57
04/02/2020	1643	North West Kern Resource Conservation Dis	-5,000.00
04/02/2020	1644	O'Brien Technologies	-1,588.00
04/02/2020	1645	Office Depot Business Credit 6900835122	-30.84
04/02/2020	1646	Peterson Auto Supply	-403.86
04/02/2020	1647	Pacific Gas & Electric - 1366349198-6	-44,941.24
04/02/2020	1648	Pacific Gas & Electric - 3022586576-2	-88,903.19
04/02/2020	1649	Pacific Gas & Electric - 4136096951-7	-33.84
04/02/2020	1650	Pacific Gas & Electric - Non-Energy Collection	-1,539.85
04/02/2020	1651	Provost & Pritchard	-4,535.50
04/02/2020	1652	San Joaquin Valley Air Pollution Control	-42.00
04/02/2020	1653	Scroggs, Alan	-600.00
04/02/2020	1654	Sparkletts	-505.25
04/02/2020	1655	The Gas Company	-117.58
04/02/2020	1656	The Standard Insurance Company	-125.03
04/02/2020	1657	Unwired Broadband, Inc.	-499.99

1658
1659
1660
1661

Berrenda Mesa Water District
Exhibit B - Warrant List for Ratification
March 6 - June 3, 2020

Wesco Hardware & Ap. LLC
Wesco Corp
Western Company
Westside Waste Co

-2,171.12
-65.00
212.90
-150.00

Date	Num	Vendor	Amount
			-39.99
04/02/2020			
05/07/2020		Receivables	
04/02/2020			
05/07/2020		Exterminator	
04/02/2020		Management	
04/02/2020	1662	WSI Internet Consulting	
04/02/2020	1663	AMA Properties, LLC.	-2,750.00
I - Berrenda Mesa			255.00
1041	EC	Valley Republic Bank Card - PM	
		ACWA-JPIA Health Benefits	
1037	EC	Valley Republic Bank Card SB	-190.76
		ACWA-JPIA - Health Benefits	7,202.24
Total for 1110.2 Operations - Berrenda Mesa			-\$ 436,380.48
Total for 1110 Operations			-\$ 7,180.79
1130 Payroll			
1130.2 Payroll			
04/17/2020			7,180.79
03/24/2020			
05/13/2020			
Total for 1130.2 Payroll - Berrenda Mesa			-\$
Total for 1130 Payroll			-\$ 21,563.79
Total for 1100 Bank			-\$ 457,944.27

Accounts