

STAFF

Steve Schwabauer, General Manager
Jennifer Spaletta - General Counsel
Roger Masuda - Special Counsel
Shasta Burns - Deputy Secretary
Daniel de Graaf - District Engineer
Robert Granberg – Interim General Manager

BOARD OF DIRECTORS

President - Joe Valente
Vice President – Jason Colombini
Secretary - David Simpson
Treasurer - Charles Starr II
Director - Marden Wilber

**NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT
NOTICE OF MEETING AND PUBLIC HEARING AND AGENDA FOR
REGULAR MEETING OF THE BOARD OF DIRECTORS**

**Monday, November 27, 2023
2:00 p.m.
Lodi Grape Festival Grounds- Barrel Room
413 E. Lockeford St, Lodi CA 95240
Also Available via Zoom**

Join Zoom Meeting

<https://us02web.zoom.us/j/87883217427>

Meeting ID: 878 8321 7427

One tap mobile

+16699006833,,87883217427# US (San Jose)

Dial by your location

+1 669 900 6833 US (San Jose)

Meeting ID: 878 8321 7427

The agenda and all noted documentation may be viewed and downloaded at www.nsjgroundwater.org . Requests to receive the agenda and documentation by e-mail may be submitted in writing to the Secretary of the Board. The NSJWCD printed agendas are posted at the District’s location of business at: 498 E. Kettleman Lane, Lodi. The District’s mailing address is: PO Box E, Victor CA 95253.

NOTICE: Members of the public may address the Board of Directors concerning any agenda item during the Board’s consideration of that item. The public may address non-agenda items at the end of the regular meeting. No action will be taken on those items; however, the Board may agendaize items for future consideration.

- 1. Call to Order - Roll Call - Acceptance of Agenda**
- 2. Correspondence/Announcements**
- 3. Action Items**

Any and all of **the following agenda items are subject to action** being taken by the Board of Directors by motion, resolution or ordinance.

Action items may be added to the agenda upon determination by a majority vote of the Board that an emergency exists, as defined by state law, or by a 2/3 vote of the Board that (1) there is a need to take immediate action; and (2) that the need for action came to the District’s attention after the agenda was posted.

A. CONSENT CALENDAR

- 1. Approval of the Minutes for the Regular Scheduled Board Meeting on

October 30, 2023 (*attachment 1*). **pages 5-9**

B. FINANCIAL

1. Receive and Approve November 2023 NSJWCD Monthly Treasurer's Report and Summary of Accounts and Transfers (*attachment 2*) **pages 10,11**
2. Approve Payment of Bills (*attachment 3*) **pages 12, 13**
3. Update Farmers and Merchants Bank Signature Cards

C. CONTRACTS

1. General Counsel Legal Services Agreement and Conflict Waiver (*attachment 4*) **pages 14-24**
2. Contract Services Agreement with the Shasta Burns to provide Board Clerk, Records management and billing services to the District. (*attachment 5*) **pages 25-28**
3. Change Order 8 to South System Phase 2 to install replacement temporary pump and fish screen Time and Materials Not to Exceed \$125,000 (*attachment 6*) **pages 29-32**
4. California Conservation Corps to provide clean up services of the East Ditch on a Time and Materials Basis (*attachment 7*) **pages 33, 34**
5. Authorize \$500,000 Draw on Warrant Agreement for North System Phase 1a Project and payment of invoices. **pages 36, 37**
6. South System Pump Station Pump Change Order (*attachment 8*) **pages 38-40 and 41-52**

D. SYSTEM AND PROJECTS

1. Engineer's Report and Operations Plan – handout at meeting
2. North System
 - i. Reynolds Recharge Update
 - ii. Progressive Design-Build Procurement Update
3. South System
 - i. South System Phase II Update
 1. Arnaudo Contract Change Orders
 - ii. South System Phase III Design Plan
 - iii. Update on Stockton East Exchange Deliveries
4. Cal-Fed/Woodbridge
5. Tracy Lake ID

E. Grant Activity

1. Consero report (*attachment 9*) **pages 53-55**

F. Strategic Plan Activity

1. Newsletter – Fall 2023
2. Website Update

- G. Groundwater Charge
- H. Sustainable Groundwater Management Act/ GWA Activity
- I. SJC Mokelumne River Application Update
- J. Bay Delta Flow Program Update/Voluntary Agreements
- K. Landowner communications
- L. Board Planning Calendar

4. Director and Staff Reports

- A. Directors Reports
- B. Committee Reports
- C. Provide Direction to Staff on Funding Proposal for Handel Lateral (attachment 10) **pages 56, 57**
- D. Provide Direction to Staff on FloodMAR incentive to pay landowners to provide O&M for FloodMAR to increase participation incentive. **pages 58, 59**
- E. Other

5. Public Comment on Items Not on the Agenda

Interested persons in the audience are welcome to introduce any topic within the jurisdiction of the NSJWCD Board. The time allowed for each speaker for comments made by the public is limited to 3 minutes. Matters presented under this agenda item may be discussed, but no action can be taken by the Board at this meeting except as follows:

- Briefly respond to statements made or questions raised.
- Ask a question for clarification.
- Provide a reference to staff or other resources for factual information.
- Request staff to report back at a subsequent meeting.
- An individual Board member or the Board itself may have the matter placed on a future agenda.

6. Closed Session – 3 items

Closed Session pursuant to Section 54956.9(a) Existing Litigation
 CONFERENCE WITH LEGAL COUNSEL – *Woodbridge Irrigation District v. East Bay Municipal Utility District*, Sacramento County Superior Court Case No. 34-2018-00232142-CU-CO-GDS

Closed Session pursuant to Section 54956.9(a) Anticipated Litigation – one case

Closed Session pursuant to Section 54956.9(a) Anticipated Litigation – one case Bay Delta/Flow Proceeding

Return to Open Session

All reportable actions taken in closed session will be announced in open session following the closed session and will be duly noted in the official minutes of the meeting.

7. Motion to Adjourn

Next Regular Meeting December 18, 2022 from 2:00 PM- 4:00 PM

Lodi Grape Festival Grounds- Barrel Room

413 E. Lockeford St, Lodi CA 95240

Also Available via Zoom

Action may be taken on any item

Agendas and Minutes may also be found at [http:// www.NSJGroundwater.org](http://www.NSJGroundwater.org)

Note: If you need disability-related modification or accommodation in order to participate in this meeting, please contact North San Joaquin Water Conservation District Staff at (209) 712-1693 at least 48 hours prior to the start of the meeting

NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS

Lodi Grape Festival Grounds – Barrel Room
413 E. Lockeford Street, Lodi CA
Zoom - Teleconference Meeting

Monday, October 30, 2023

REGULAR MEETING MINUTES

**CONDUCTED BY TELECONFERENCE IN COMPLIANCE WITH GOVERNOR NEWSOM'S
EXECUTIVE ORDER RELAXING BROWN ACT REQUIREMENTS DUE TO COVID-19**

1. **Call to Order - Roll Call - Acceptance of Agenda** - The meeting was called to order by President Valente at 2:00 pm. A motion for the acceptance of the Agenda, made by Treasurer Starr, second by Secretary Simpson. Motion passed unanimously 4/0/0.

President Joe Valente - Area 3
Vice President Jason Colombini - Area 2
Secretary David Simpson – Area 1
Treasurer Charles Starr – Area 4
Director Marden Wilber – Area 5 - Absent

General Counsel Jennifer Spaletta
Special Counsel Roger Masuda - Absent
Daniel de Graaf – District Engineer
Deputy Secretary Shasta Burns
General Manager – Steve Schwabauer

2. **Correspondence/Announcements-** President Valente reported that Director Marden Wilber was selected into the Agriculture Hall of Fame by the Stockton Chamber of Commerce.

3. **Action Items** Note: Votes recorded as: For/Against/Abstention (name)

A. CONSENT CALENDAR

1. Approval of the Minutes of the Regular Scheduled Board meeting on September 25, 2023- A motion to approve the Regular Scheduled Board Meeting Minutes on September 25, 2023, made by Secretary Simpson, second by Vice President Colombini. Motion passed 4/0/0.

B. Financial Matters

1. Receive and File September 2023 NSJWCD Monthly Treasurer's Report and Summary of Accounts and Transfers presented to the board. Perla from Butterfield + Company prepared financial statements for Board action. A motion to approve October 2023 NSJWCD Monthly Treasurer's Report, by Vice President Colombini, second by Treasurer Starr. Motion passed 4/0/0
2. Approve Payment of Bills- A motion to approve payment of bills recommendation listed on page 10 in the board meeting packet Summary of Bills made by Vice President Colombini, second by Treasurer Starr. Motion passed 4/0/0.
3. **Resolution 2023-13** Approving Warrant Agreement with Farmers and Merchants Bank for Line of Credit – General Manager Schwabauer

reviewed the Line of Credit Agreement with Farmers and Merchants Bank. A motion to approve **Resolution 2023-13** Approving Warrant Agreement with Farmers and Merchants Bank for Line of Credit made by Secretary Simpson, second by Treasurer Starr. Roll Call: Starr; Aye, Simpson; Aye, Colombini; Aye, Valente; Aye. Wilber; Absent. Motion passed 4/0/0

C. Contracts

1. Note: This item acted on during closed session. Review Response to RFP for North System Phase 1B and Award Contract- 5 total bids were received. Two low bids were Arnaudo Construction for \$1,655,514.00 and DA Wood Bid \$1,654,804.00. Engineer de Graaf communicated with the two lowest bidders. Arnaudo Construction specified using Don Wortley (DSW Ag) to repair likely construction damage to the adjacent vineyard. A motion to approve oral **Resolution 2023-15** and Award Arnaudo Construction for the North System Phase 1B based on higher value demonstrated in the bid related to grower relations and replacement vines and trellis' made by Secretary Simpson second by Vice President Colombini. Roll Call: Starr; Aye, Simpson; Aye, Colombini; Aye, Valente; Aye. Wilber; Absent. Motion passed 4/0/0
2. Temporary Construction Easement- **Resolution 2023-16** -North System- General Manager Schwabauer reviewed generator and pump infrastructure. Legal Counsel worked with Landowners to present easement to operate the system. A motion to approve **Resolution 2023-16**- Authorizing and accepting Temporary Easement Regarding North Pump Station Phase 1 Project for the Thomas and Jean Powell 2020 Family Trust for \$5,000 per calendar year commencing in 2024 and running through the construction period made by Secretary Simpson, second by Vice President Colombini. Motion passed 4/0/0
3. North System Groundwater Monitoring Well Easements and Drilling Contract – General Manager Schwabauer reviewed Lakso, Reynolds, and Cranston easements and \$1,000 per easement payment. A motion to accept North System Groundwater Monitoring Well Easement Agreements in the amount of \$1,000 per easement for the Cascade Drilling Contract (Approved in August 2023) made by Vice President Colombini, second by Treasurer Starr. Motion passed 4/0/0
4. Arnaudo South System Phase II Contract Change Orders-
 - i. Additional Pumps- No action necessary, will defer item until November Board meeting.
5. Sierra Controls – Cal Fed Change Order – General Manager Schwabauer reviewed power to the site, and hand-off-auto switch to remotely control fish screen. GM Schwabauer and Engineer Daniel de Graaf made a site visit last week to review. A motion to approve Sierra Controls- Cal Fed Change Order presented in the board meeting packet, made by Vice President Colombini, second by Secretary Simpson. Motion passed 4/0/0

D. System and Projects

1. Engineer's Report and Operations Plan– Engineer de Graaf gave an overview of where the district stands on each project – Report was presented at the start of the board meeting and is available upon request.
2. North System -
 - i. Reynolds Recharge Update- Reynolds recharge has been operational on

and off to allow for the field to dry down. The project has delivered over 495-acre feet of water to the field for recharge.

ii. Progressive Design- Build Procurement Update – Written report in the board meeting packet. Request for Qualifications has been advertised and a procurement schedule will be available for the board by the next board meeting.

3. South System

i. South System Phase II Update- The anticipated start date for construction of Phase II is November 13th and will continue for approximately four weeks.

ii. Miller Recharge Update – Engineer de Graaf reviewed different pump options for this site. A transformer and 120 power is recommended with a pump for this site. A formal quote will be brought back to the board for approval at the November board meeting.

iii. Tecklenburg Recharge Update - August 4th was the start date on this project and has been going continuously since with minor shut downs.

4. Update on Temporary Water Right for November 2023 –General Counsel will follow up with the State Water Resources Control Board and it looks like it will be approved for diversions between November 6th-30th, based daily flow measured at Elliott Road.

5. Cal-Fed/Woodbridge Operations – Sierra Controls has completed installation of the SCADA system and remote operation of the pump station is now functional. Engineer de Graaf is waiting for the completion of grape harvest and preparation on the field to begin operation at the Costa recharge site.

6. Tracy Lake ID – Tracy Lake currently has a lot of water in it and lake level transducer can not be installed until the water level goes down. Currently has no capacity to divert water at this time for recharge in preparation for winter storms. Sierra Controls has installed SCADA System and is in working order.

E. Grant Activity

1. Consero report – General Manager Schwabauer reviewed the Consero Solutions monthly report on funding opportunities for which the district has applied or for which the district is considering applying.

2. Note: This item acted on after closed session. **Resolution 2023-14** Regarding North System Habitat Improvement Grant Agreement- A motion to approve Resolution 2023-14 Regarding North System Habitat Improvement Grant Agreement made by Vice President Colombini, second by Secretary Simpson. Roll Call: Starr; Aye, Simpson; Aye, Colombini; Aye, Valente; Aye. Wilber; Absent. Motion passed 4/0/0

F. Strategic Plan Activity

1. Newsletter – Fall 2023- Newsletters will be mailed in November

2. Website Update – The website is now live! www.NSJWCD.com

G. Groundwater Charge

1. Discuss Online Appeal Form- Online appeal form is available to fill out online.

2. Discuss and provide Staff Direction on Rules for Making Appeals Last 3-5 Years with Penalties for Failure to Notify of Change in Use- General Manager reviewed the need to review a policy for landowners be eligible for a 3–5-year appeal process.
 3. Discuss and Provide Staff Direction on Outsourcing Charge Administration – General Manager reviewed outsourcing charge administration from a company that specialized analyzing tax data to help with annual groundwater charges. A formal proposal will be brought back to the board to review.
- H. Appointment of Advisory Water Commission – A motion to nominate Charlie Starr as the main representative and Steve Schwabauer as the alternate representative for the Advisory Water Commission, made by Secretary Simpson, second by Vice President Colombini. Motion passed 4/0/0
 - I. Sustainable Groundwater Management Act/GWA Activity – President Valente attended the steering committee meeting. Grand Jury report was discussed.
 - J. SJC Mokelumne River Application Update – General Counsel Spaletta reviewed tour held last week with the consulting team that the county hired for the feasibility study to prepare the CEQA document for processing SJC Mokelumne River Application.
 - K. Bay Delta Flow Program Update/Voluntary Agreements – No update at this time.
 - L. Landowner Communications – Facilities Tour will be held on December 8, 2023.
 - M. Board Planning Calendar- No update at this time
4. **Director and Staff Reports**
 - A. Director’s Report – No report at this time.
 - B. General Counsel Spaletta – No report at this time.
 - C. District Manager/Engineer – No report at this time.
 - D. Consero Solutions – No report at this time.
 - E. Committee Reports – No report at this time.
 - F. Other – No additional reports at this time.
 5. **Public Comment** – No comments at this time.
 6. **Closed Session** – The Board entered closed session at 3:46 PM and came out of closed session at **4:23 PM**. **Return to Open Session** – President Valente returned the meeting to open session and reported action on Resolution 2023-14 (recorded above in item 3E2) and 2023-15 (recorded above in item 3C1). There was no further reportable action.
 7. **Adjournment** - Motion to adjourn the NSJWCD Regular Meeting on October 30, 2023 made by Vice President Colombini, second by Treasurer Starr. Motion passed 4/0/0 Meeting adjourned at 4:32 PM.

The next regular scheduled Board Meeting November 27, 2023, from 2:00 PM - 4:00 PM. Location and method TBA due to COVID-19 Executive Order.

The above minutes of the North San Joaquin Water Conservation District Board of Directors Meeting of October 30, 2023.

Respectfully submitted:

Shasta Burns, Deputy Secretary

North San Joaquin Water Conservation District
 Treasurer's Report
 November 2023 – Monthly Summary of Accounts
 As of November 27, 2023

The chart below is a summary of account information including account balances and transactions since the last scheduled Board meeting (October 2023). The attached reports are prepared by Butterfield + Co., CPAs, Inc. for the month of November 2023. Additional attachments that follow include accounts payable, recommendations for bill payments and transfers as noted herein.

NSJWCD Accounts Summary - October 30, 2023	Beginning Balance as of 10/30/23 with approved transfers	Transfer received after last meeting	Payments after last meeting	Revenue Received after last meeting	Current Balance November 20 , 2023	Proposed bills to be paid today	Proposed check to be paid today for easement	Proposed transfers	Ending balance November 27, 2023
F&M Checking	86,936.37	-	(21,777.65)	104,283.26	169,441.98	(185,026.11)	(5,000.00)	225,000.00	204,415.87
County Groundwater Fund	264,573.76		-	8,799.00	273,372.76	-	-	(225,000.00)	48,372.76
County Account Fund	25,561.19			2,264.00	27,825.19	-	-	(25,000.00)	2,825.19
ID#3	134,572.74		-	5.53	134,578.27	-	-	-	134,578.27
Tracy Lake Assessment Bond	439.99	(439.99)	-	-	-	-	-	-	-
Tracy Lake O&M	4,619.38	439.99	(90.17)	-	4,969.20	(25,061.17)	-	25,000.00	4,908.03
Totals	\$ 516,703.43	\$ -	\$ (21,867.82)	\$ 115,351.79	\$ 610,187.40	\$ (210,087.28)	\$ (5,000.00)	\$ -	\$ 395,100.12



Payments after last meeting	Classes	Proposed bills to be paid today
	General Exp	(23,074.19)
ADP - Payroll Taxes	Dream Project	(1,476.00)
Amazon	Groundwater Mgmt	(6,760.41)
AT&T	Handel Lateral	(2,394.00)
Coloring Book	N. System Phase 1	(12,167.09)
GtPrint.com	Operations Fund	(81,103.74)
Dropbox	Planning Fund	(24,304.13)
PG&E	Recharge Lakso	(2,875.19)
SaveMart	Recharge Tecklenburg	(11,702.03)
Stephen Schwabauer	South System 1	(1,106.50)
USPS	South System 2	(900.00)
Walmart	South System 3	(1,861.67)
Zoom	South System 4	(14,546.16)
PG&E TLID	Woodbridge-Cal Fed	(755.00)
	TLID	(25,061.17)
Total	Total	\$ (210,087.28)

1. SEE ATTACHMENT 1 - ACCOUNTS PAYABLE REPORT.

2. AUGUST PAYMENT RECOMMENDATIONS - SEE TABLE BELOW:

Arnaudo Construction, Inc.	\$ 61,006.61	Pump Station
Butterfield & Co	2,340.00	October Invoice
California Special Districts Association	4,093.50	CSDA Dues
Consero Solutions	16,246.63	October Services
Delta Computer Consultants	517.50	Computer Services
de Graaf Engineering, Inc.	28,531.06	October Services
Grandberg & Associates	6,270.00	October Services
Henderson Hatfield, A	40.80	October Services
Joe Peterson	300.00	December Rent
Kludt Oil	147.71	Fuel
Lodi Grape Festival	1,200.00	Rental Fee 01/24-12/24
Moore Biological	1,794.84	Permits
Pacific Southwest Irrigation	11,702.03	Sales tax due on prior invoices
PG&E	16,317.92	October Invoice
RGMK	349.50	October Invoice
Richard Rodriguez Farms	3,487.50	November Invoices
San Joaquin County	2,730.41	IRWM Implementation
Shasta Burns	4,721.66	November Invoice
Sierra Controls, LLC	25,546.17	October Invoice
Spaletta Law PC	18,817.50	November Invoice
Weber, Ghio & Associates	3,925.94	September Services
Total payments recommended	\$ 210,087.28	

3. REMAINING ACCOUNTS PAYABLE – \$31,885.50

- a. \$31,885.50 – Retention due to Arnaudo Construction, Inc.

North San Joaquin Water Conservation District
Unpaid Bills by Vendor
All Transactions

	<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Source Name</u>	<u>Memo</u>	<u>Account</u>	<u>Class</u>	<u>Open Balance</u>
Arnaudo Construction, Inc.								
	Bill	05/31/2023	RET- App No. 1	Arnaudo Construction, Inc.	Progress Billing	6115.5 · Pipeline	Capital Outlay:South System Phase 2	31,885.50
	Bill	11/08/2023	1240-4	Arnaudo Construction, Inc.	N System Recharge	6115.6 · Pump Station	.Operations Fund:North System O&M	61,006.61
Total Arnaudo Construction, Inc.								92,892.11
Butterfield & Co.								
	Bill	10/24/2023	106035	Butterfield & Co.	Accounting	6180.1 · Accounting	-G&A	2,340.00
Total Butterfield & Co.								2,340.00
California Special Districts Association								
	Bill	10/01/2023	2024 CSDA Renewal	California Special Districts Ass.	2024 CSDA Renewal	6120.2 · CSDA	-G&A	4,093.50
Total California Special Districts Association								4,093.50
Consero Solutions								
	Bill	10/31/2023	1940	Consero Solutions	Grant Funding Development	6180.34 · Grant Development	-Planning Fund	10,880.00
	Bill	10/31/2023	1940	Consero Solutions	Community Engagement	6180.38 · Public Outreach	-Planning Fund	3,608.75
	Bill	10/31/2023	1940	Consero Solutions	Other Duties	6180.39 · Strategic Planning & Policies	-Planning Fund	1,757.88
Total Consero Solutions								16,246.63
de Graaf Engineering, Inc.								
	Bill	11/15/2023	1104	de Graaf Engineering, Inc.	General Eng	6180.42 · General Engineering	-G&A	3,177.00
	Bill	11/15/2023	1104	de Graaf Engineering, Inc.	Mileage	6180.42 · General Engineering	-G&A	324.23
	Bill	11/15/2023	1104	de Graaf Engineering, Inc.	SS Phase I	6180.42 · General Engineering	Capital Outlay:South System Phase 1	144.00
	Bill	11/15/2023	1104	de Graaf Engineering, Inc.	South System Handel Lateral	6180.42 · General Engineering	Capital Outlay:Handel Lateral	2,394.00
	Bill	11/15/2023	1104	de Graaf Engineering, Inc.	SS Phase II	6180.42 · General Engineering	Capital Outlay:South System Phase 2	900.00
	Bill	11/15/2023	1104	de Graaf Engineering, Inc.	SS Phase III	6180.42 · General Engineering	Capital Outlay:South System Phase 3	1,861.67
	Bill	11/15/2023	1104	de Graaf Engineering, Inc.	SS Phase IV	6180.42 · General Engineering	Capital Outlay:South System Phase 4	14,546.16
	Bill	11/15/2023	1104	de Graaf Engineering, Inc.	Dream	6180.42 · General Engineering	Capital Outlay:Dream Project Pipeline	1,476.00
	Bill	11/15/2023	1104	de Graaf Engineering, Inc.	NS Phase I	6180.42 · General Engineering	Capital Outlay:North System Phase 1	3,294.00
	Bill	11/15/2023	1104	de Graaf Engineering, Inc.	SS Operations	6180.42 · General Engineering	.Operations Fund:South System O&M	144.00
	Bill	11/15/2023	1104	de Graaf Engineering, Inc.	TL Operations	6180.42 · General Engineering	TLID #1	270.00
Total de Graaf Engineering, Inc.								28,531.06
Delta Computer Consultants								
	Bill	10/26/2023	9214	Delta Computer Consultants	Steve computer set-up	6165 · Outside Services	-G&A	517.50
Total Delta Computer Consultants								517.50
Granberg & Associates								
	Bill	11/05/2023	15	Granberg & Associates	General	6180.7 · Project Management	-G&A	1,425.00
	Bill	11/05/2023	15	Granberg & Associates	North System	6180.7 · Project Management	Capital Outlay:North System Phase 1	4,845.00
Total Granberg & Associates								6,270.00
Henderson Hatfield, A								
	Bill	10/25/2023	25465	Henderson Hatfield, A	Employee Handbook	6180.36 · HR Consultant	-G&A	40.80
Total Henderson Hatfield, A								40.80
Joe Peterson								
	Bill	11/15/2023	December Rent	Joe Peterson	December Rent	6200 · Rent	-G&A	300.00
Total Joe Peterson								300.00
Kludt Oil								
	Bill	11/09/2023	311204	Kludt Oil	Kludt Food Grade 32	6130 · Fuel	.Operations Fund:South System O&M	147.71
Total Kludt Oil								147.71
Lodi Grape Festival								
	Bill	11/01/2023	Agreement RA 04-24	Lodi Grape Festival	Rental Fee 1/24-12/24	2600 · Prepaid Expenses	-Planning Fund	1,200.00
Total Lodi Grape Festival								1,200.00
Moore Biological Consultants								
	Bill	11/10/2023	4241-10-23	Moore Biological Consultants	Follow-up North System	6166.2 · Permits	Capital Outlay:North System Phase 1	832.34

North San Joaquin Water Conservation District
Unpaid Bills by Vendor
All Transactions

	<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Source Name</u>	<u>Memo</u>	<u>Account</u>	<u>Class</u>	<u>Open Balance</u>
	Bill	11/10/2023	3524/10-23	Moore Biological Consultants	South System Pipeline	6166.2 · Permits	Capital Outlay:South System Phase 2	962.50
Total Moore Biological Consultants								1,794.84
Pacific Southwest Irrigation								
	Bill	07/11/2023	254725 - Tax	Pacific Southwest Irrigation	Sales tax due on prior invoice	6115.5 · Pipeline	Capital Outlay:Recharge Tecklenburg Basin	10,659.26
	Bill	07/11/2023	254808 - Tax	Pacific Southwest Irrigation	Sales tax due on prior invoice	6115.5 · Pipeline	Capital Outlay:Recharge Tecklenburg Basin	518.97
	Bill	07/11/2023	254775 - Tax	Pacific Southwest Irrigation	Sales tax due on prior invoice	6115.5 · Pipeline	Capital Outlay:Recharge Tecklenburg Basin	64.62
	Bill	07/11/2023	254729 - Tax	Pacific Southwest Irrigation	Sales tax due on prior invoice	6115.5 · Pipeline	Capital Outlay:Recharge Tecklenburg Basin	89.38
	Bill	07/11/2023	254754 - Tax	Pacific Southwest Irrigation	Sales tax due on prior invoice	6115.5 · Pipeline	Capital Outlay:Recharge Tecklenburg Basin	4.53
	Bill	07/11/2023	254748 - Tax	Pacific Southwest Irrigation	Sales tax due on prior invoice	6115.5 · Pipeline	Capital Outlay:Recharge Tecklenburg Basin	365.27
Total Pacific Southwest Irrigation								11,702.03
PG&E								
	Bill	10/25/2023	October Invoice	PG&E	October Invoice	6235.1 · Gas & Electricity	.Operations Fund:South System O&M	15,994.79
	Bill	11/01/2023	November Invoice	PG&E	November Invoice	6235.1 · Gas & Electricity	.Operations Fund:Woodbridge/Cal-Fed O&M	323.13
Total PG&E								16,317.92
RGMK								
	Bill	10/31/2023	135594	RGMK	Prof Services	6180.36 · HR Consultant	Capital Outlay:South System Phase 2	349.50
Total RGMK								349.50
Richard Rodriguez Farms								
	Bill	11/15/2023	11.15.2023	Richard Rodriguez Farms	Labor	6210 · Reynolds Recharge Project	.Operations Fund:Recharge Project O&M	3,075.00
	Bill	11/15/2023	11.15.2023	Richard Rodriguez Farms	Labor	6225 · Teklenburg Recharge Project	.Operations Fund:Recharge Project O&M	412.50
Total Richard Rodriguez Farms								3,487.50
San Joaquin County Public Works Dept.								
	Bill	11/03/2023	WR2023-06	San Joaquin County	IRWM Implementation Grant	6180.34 · Grant Development	-Planning Fund	2,730.41
Total San Joaquin County Public Works Dept.								2,730.41
Shasta Burns								
	Bill	11/15/2023	208	Shasta Burns	November Invoice	6180.8 · Secretary	-G&A	4,412.50
	Bill	11/15/2023	208-Mileage	Shasta Burns	November Invoice	6180.8 · Secretary	-G&A	309.16
Total Shasta Burns								4,721.66
Sierra Controls, LLC								
	Bill	10/31/2023	124597	Sierra Controls, LLC	22-6748 CAL-FED Pump	6180.42 · General Engineering	Capital Outlay:Woodbridge/Cal Fed	755.00
	Bill	10/31/2023	124598	Sierra Controls, LLC	22-6749 Tracy Pump RTU Upgrade	6180.42 · General Engineering	TLID #1	11,465.26
	Bill	10/31/2023	124598	Sierra Controls, LLC	22-6749 Tracy Pump RTU Upgrade	6115.1 · Automation/SCADA	TLID #1	13,325.91
Total Sierra Controls, LLC								25,546.17
Spaletta Law PC								
	Bill	11/15/2023	12296	Spaletta Law PC	November Invoice	6180.63 · General Expense	-G&A	5,785.00
	Bill	11/15/2023	12299	Spaletta Law PC	November Invoice	6180.63 · General Expense	-Groundwater Management	2,990.00
	Bill	11/15/2023	12298	Spaletta Law PC	November Invoice	6180.70 · Water Rights - Groundwater	-Groundwater Management	1,040.00
	Bill	11/15/2023	12295	Spaletta Law PC	November Invoice	6180.63 · General Expense	Capital Outlay:North System Phase 1	2,145.00
	Bill	11/15/2023	12297	Spaletta Law PC	November Invoice	6180.64 · Grant Application Expense	-Planning Fund	6,857.50
Total Spaletta Law PC								18,817.50
Weber, Ghio & Associates, Inc.								
	Bill	11/09/2023	12502	Weber, Ghio & Associates, Inc.	Design Plans	6180.42 · General Engineering	Capital Outlay:North System Phase 1	1,050.75
	Bill	11/09/2023	12503	Weber, Ghio & Associates, Inc.	Bid Support	6180.42 · General Engineering	Capital Outlay:North System Phase 1	2,875.19
Total Weber, Ghio & Associates, Inc.								3,925.94
TOTAL								241,972.78

From: Steve Schwabauer, General Manager

RECOMMENDED ACTION: Authorize General Manager to enter into Legal Services Agreement and Conflict Waiver with Stoel Rives to provide General Counsel and other legal services to the District.

DISCUSSION:

Jennifer Spaletta serves as the District's General Counsel on a contract basis through her private law firm. However, Ms. Spaletta is closing her private firm and joining Stoel Rives effective December 1, 2023. Ms. Spaletta is joining the larger firm due to the increasing complexity of her practice which require the services a larger firm can provide including associates, legal secretaries and partners for referrals.

The change will require the Board to approve several changes. The most obvious is the new legal services agreement with Stoel Rives. The firm will require Ms. Spaletta to align her billing rates with theirs. The new rate will be \$436.00 per hour (20% less than the firms standard partner rate of \$545.00). Ms. Spaletta currently charges the District \$325.00 per hour, which is discounted from her standard rate of \$425 per hour. The \$325/hour rate began in August 2023. Prior to that time and since 2012, she charged \$275/hour. However, this lower billing rate reflects that she has historically been providing a significant share of the General Management for the District. As a result, it is hard to fully predict the impact of the increased rate since those management services will over the course of the next several months fully transition over to the General Manager. During the prior fiscal year (July 1, 2022 to June 30, 2023) Spaletta Law spend 625 hours on district work, and billed \$170,565. Staff estimates that in the last year 40% (250 hours) of the total hours billed were for legal services and 60% (or 375 hours were for management services totaling).

If Ms. Spaletta spends 250 hours on district work in the current fiscal year, with 1/3 of that work at \$325/hour and 2/3 of the work at \$436/hour, the total cost for legal services to the district will be approximately \$102,000. Given that the General Manager did not start until mid-October, a ore conservative estimate is \$150,000.

The new firm will also require the District to agree to a conflict waiver for other water right matters that Ms. Spaletta works on regarding the Tule, Kern, Kings, Fresno and San Joaquin Rivers. A conflict waiver is an agreement that the District will not prevent the firm from representing other clients who have indirect conflicts of interests with District interests. As the Board knows I have also spent over 14 years of my career as agency legal counsel and have reviewed the waiver and consider it a reasonable waiver for the District to approve.

RECOMMENDATION:

Authorize the General Manager to enter into Legal Service Agreement and Conflict Waiver with Stoel Rives effective December 1, 2023 for General Counsel Services.

FISCAL IMPACT: The full impact is difficult to accurately determine given that the increased hourly rate must be reduced by the decreased hourly commitment. Staff currently estimates the impact to be \$__ as discussed above.

**Resolution 2023-
of the Board of Directors of the**

**NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT
Authorizing Execution of a Legal Services Agreement and Conflict Waiver with Stoel Rives
for Services of Jennifer Spaletta as District General Counsel**

WHEREAS, North San Joaquin Water Conservation District (District) is in need of Legal Services.

WHEREAS, Jennifer Spaletta has ably provided these services on a contract basis for a number of years as a sole practitioner but is joining Stoel Rives as a partner effective December 1, 2023.

WHEREAS, the District desires to retain Jennifer Spaletta's services as General Counsel at her new firm.

WHEREAS, Stoel Rives requires the District to enter into a revised legal services agreement, hourly rates, and an indirect conflict waiver to allow the firm to represent interests that may indirectly but not directly conflict with District interests.

WHEREAS, Jennifer Spaletta previously provided many of the General Manager tasks for the District and expects her hourly district billings to fall over time by as much as 60 percent as a result of the District's recent hire of a General Manager, thus accommodating the increased billing rate.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Board President and General Manager are authorized to execute a Legal Services Agreement and Conflict Waiver with Stoel Rives, in substantially the same form as attached, as of December 1, 2023.

ADOPTED: November 27, 2023 on motion of Director _____, seconded by Director _____ and passed by the following vote:

AYES: ____ NOES: ____ ABSENT: ____ ABSTAINS: ____

CERTIFICATE OF SECRETARY

I do hereby certify that I am the Secretary of the North San Joaquin Water Conservation District, a water conservation district organized and existing under the laws of the State of California, and that the foregoing Resolution was duly adopted by the Board of Directors of said District at a meeting thereof duly and regularly held at Grape Festival Barrel Room, Lodi, California on the ____ day of November 2023, at which meeting a quorum of said Board of Directors was at all times present and acting, and that said Resolution has not been rescinded or amended in whole or any part thereof, and remains in force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and the Seal of the North San Joaquin Water Conservation District this ____ day of November, 2023

David Simpson, Secretary
North San Joaquin Water Conservation District

December 1, 2023

[NSJWCD addressee]

Re: Engagement Letter and Request for Advance Waiver of Conflicts of Interest

Dear NSJWCD Board Members and Mr. Schwabauer:

Thank you for selecting Stoel Rives LLP (“Stoel Rives” or “Firm”) to represent North San Joaquin Water Conservation District (“Client” or “you”). We appreciate the opportunity to act as your legal counsel. This letter, and the attached Standard Terms of Representation, set forth the terms on which Stoel Rives will provide legal services to you (“Terms of Engagement”).

Scope of Engagement. You have engaged Stoel Rives to represent you in connection with:

1. Matters related to SGMA and the Eastern San Joaquin groundwater subbasin. .
2. Matters related to the Client’s current and prospective appropriative and contract rights to surface waters of the Mokelumne River.
3. Matters related to capital projects and improvement districts on the North System.
4. Matters related to capital projects and improvement districts on the South System.

These matters are collectively referred to as the (“Engagement”). In addition, we will open a “General” matter for routine water law related advice. Whether we will be able to advise on a particular general matter will depend, of course, on the results of our standard conflict of interest review and our ability to obtain any necessary consents. Unless otherwise agreed in writing, Stoel Rives has not agreed to represent you in any other matter. If you engage Stoel Rives to represent you in any matters beyond the scope of the Engagement, these Terms of Engagement shall apply to those matters.

Conflicts of Interest and Advance Waiver.

Stoel Rives currently represents landowners and districts in regarding individual water right matters in the Central Valley (including water rights due diligence, reporting, protection and defense from enforcement or infringement) involving the Tule River, Kern River, Kings River, Fresno River and and the Sacramento-San Joaquin Delta (Other Watershed Water Right Matters) as well as water districts and landowners in the Lower San Joaquin River with respect to matters

involving the State Water Resource Control Board's curtailment of water rights during periods of drought (the Curtailment Cases) (collectively, Firm Water Law Clients). You acknowledge that the Engagement does not include representation by the Firm of Client with respect to Other Watershed Water Right Matters or the Curtailment Cases. Because we understand that this work is not substantially related to the Engagement, we are requesting that Client agree that, if a conflict develops between you and these Firm Water Law Clients with respect to the Other Watershed Water Right Matters or the Curtailment Cases, Client consents to any conflict that may in the future arise and will not seek to use our representation of it on unrelated matters as a basis to disqualify Stoel Rives from representing those Firm Water Law Clients.

In short, by signing this letter, you consent to our present and future representation of these Firm Water Law Clients with respect to the Other Watershed Right Matters or Curtailment Cases notwithstanding our representation of you on the matters identified in the Engagement.

Because the work that we have been asked to perform on the Engagement is unrelated to the work we are doing for the Firm Water Law Clients, we do not believe that there is a material risk that your confidential information will be used adversely to you if you were to become involved in the Watershed Right Matters or Curtailment Cases adversely to any of the Firm Water Law Clients. Similarly, the lack of a relationship between our work for you under the Engagement and our work for other clients – current and future – suggests to us that there is little risk that our efforts on your behalf will be affected. Although we do not believe that these factors would affect your representation, you should review this yourself.

To ensure that any consent you provide is fully informed, I welcome any questions you have and recommend that you review the issue of consent with independent counsel. Whether you actually do, however, is up to you.

The Advance Waiver provided by Client at this time is limited to the matters discussed above and does not cover other future work for clients of Stoel on matters adverse to the Client. Any such waivers will be requested from Client when the potential conflict arises and obtained consistent with California law and rules of professional conduct.

Principal Attorneys Handling Your Matter(s). Jennifer Spaletta will be the attorney principally responsible for the Engagement. However, as our representation progresses and issues arise, other attorneys at Stoel Rives may become responsible for and handle certain aspects of our work for you. If you ever have any questions or concerns about how we staff matters, please do not hesitate to let me know. Otherwise, we will use our judgment to determine how to staff matters in the most cost-effective manner possible.

Fees. Unless we agree to other arrangements, the principal factors that determine our fees incurred in connection with the Engagement are the time devoted to the matter and the hourly rates of the attorneys and staff involved in the matter.

1. Our hourly billing rates for lawyers currently range from \$ [REDACTED] per hour for associates to \$ [REDACTED] per hour for partners. Time devoted by other professional staff is charged at billing rates ranging from \$ [REDACTED] to \$ [REDACTED] per hour. These billing rates are subject to change from time to time, and are adjusted at least annually. Legal services provided after the effective date of the new rates will be charged at the new applicable rates. As explained in the enclosed Standard Terms of Representation, we may take other factors into consideration in determining our fees.
2. The following lists the hourly billing rates for the lawyers and professional staff we currently expect to work on this matter:

Jennifer Spaletta \$545/hour with a 20% discount (\$436.00)

If other timekeepers work on this matter, we would be pleased to provide their hourly rates upon request. All billing rates are subject to change from time to time, and are adjusted at least annually. Legal services provided after the effective date of the new rates will be charged at the new applicable rates. As explained in the enclosed Standard Terms of Representation, we may take other factors into consideration in determining our fees.

Please be advised that in litigation matters you may be liable for the opposing party's costs, fees, and expenses if you are not the prevailing party.

Billing and Payment. Unless otherwise agreed, we will send invoices for our legal fees and expenses on a monthly basis. Our invoices include narratives of the legal services performed and itemize expenses incurred by Stoel Rives in connection with the Engagement. If you would like additional information about any of our invoices, please let me know. Payment is due within 30 days after the date of the invoice. The enclosed Standard Terms of Representation contains additional information regarding our billing processes and payment terms.

eDiscovery. Because of the increasing complexity of electronic discovery, many litigation matters require collection and processing of electronic documents and database management throughout the course of the case and related services. We have relationships with a number of vendors that provide services relating to eDiscovery. If you and I agree that this case requires eDiscovery services and you do not have a third party vendor that you prefer to use, we would be pleased to discuss with you the kinds of services we can provide through our vendor and the pricing for those services.

THE FOLLOWING PARAGRAPH IS RECOMMENDED BUT OPTIONAL: Publicity. In connection with our representation of you, Stoel Rives requests, and you consent, for us to use certain information about the Engagement for the sole purpose of describing our expertise in marketing materials. Your consent here is only with respect to information about the Engagement that you have disclosed to the public.

In-Firm Communications. From time to time, issues may arise relating to our duties under the professional conduct rules that apply to lawyers. These issues may involve conflict of interest questions or even a dispute between Stoel Rives and a client over how we have handled a client matter. When such issues arise, we may seek the advice of our Firm Counsel and loss prevention partners. We consider such consultations to be attorney-client privileged communications. We believe that it is in our clients' interests, as well as Stoel Rives' interest, that when legal ethics or related issues arise during a representation, we obtain expert analysis of our obligations. Accordingly, you agree that if we determine in our own discretion during the course of the representation that it is either necessary or appropriate to consult with our internal or outside counsel, we have your consent to do so and that our representation of you shall not waive any attorney-client privilege Stoel Rives may have regarding the confidentiality of our communications with counsel.

FOR ENGAGEMENTS INVOLVING NO PHI: Protected Health Information. We do not believe that this Engagement will require us to access, create, receive, use, maintain, disclose, or transmit Protected Health Information ("PHI") as that term is defined in the privacy and security rules issued under the Health Insurance Portability and Accountability Act of 1996, as amended. In the event you believe that we need to review information that constitutes PHI, we request that you communicate with us in advance of sending the information so that we can confirm that such review is necessary and, if so, sign a business associate agreement and arrange for an appropriately secure method of transmission. We request that you do not email us PHI unless you are using an email encryption program. *[Delete if PHI is involved and a business associate agreement will be executed along with the engagement letter.]*

If the Terms of Engagement meet with your approval, please promptly sign the letter in the space below and return a copy to me with the security deposit so that we may begin work. Please call or email me if you have any questions. Once again, let me say how pleased we are that you have entrusted Stoel Rives to represent you in the Engagement. We look forward to working with you.

Very truly yours,

Bridget A. Stewart

THE UNDERSIGNED ACKNOWLEDGES AND ACCEPTS THE TERMS OF ENGAGEMENT, AND CONSENTS TO STOEL RIVES' REPRESENTATION NOTWITHSTANDING THE CONFLICTS OF INTEREST DESCRIBED ABOVE.

[CLIENT NAME]

By: _____

Title: _____

Date: _____

STANDARD TERMS OF REPRESENTATION

Fees. Unless otherwise agreed to in writing by the Client and Stoel Rives, the principal basis for computing our fees for the legal services we provide will be the amount of time spent on the matter by various lawyers and legal assistants multiplied by their individual hourly billing rates. Other factors we may consider in setting our fee include the novelty and difficulty of the questions involved; the skill required to perform the services properly; the experience, reputation, and ability of those performing the services; the time limitations imposed by the Client or the circumstances; the amount involved; and the results obtained.

Costs. We will include in our statements separate charges for services such as messenger and delivery service, travel, international telephone, and filing fees. Unless otherwise agreed to in writing, the Client authorizes us to retain any investigators, consultants, or experts necessary in our judgment to represent the Client's interests in the specified matter. Their fees and expenses generally will not be paid by us, but will be billed directly to the Client.

Estimates. We are often requested to estimate the amount of costs likely to be incurred in connection with a particular matter. Because costs are usually not predictable, we generally make no commitment to the Client concerning the maximum costs that will be necessary to resolve or complete the matter. Any mention by us of costs is only an estimate. It is also expressly understood that your obligation to pay our costs is in no way contingent on the ultimate outcome of the matter.

Client Responsibilities. You agree to pay our statements for services and expenses as agreed in the Terms of Engagement. In addition, you agree to be candid and cooperative with us and keep us informed with complete and accurate factual information, documents, communications, and other material relevant to the subject matter of our representation or otherwise reasonably requested by us. You also agree to make any necessary business and strategy decisions in a timely manner. Because we need to be able to communicate with you regarding the representation, you agree to keep us advised of name, address, telephone number, contact person, or email address changes.

Advice about Possible Outcomes. From time to time, we may express opinions or beliefs concerning the matter or various courses of action and the results that might be anticipated. Any such statement made by any of our lawyers is an expression of opinion only, based on information available to us at the time, and should not be construed by you as a promise or guarantee.

Electronic Communications. It is likely that, during the course of this engagement, you and Stoel Rives will use electronic devices and internet services (which may include unencrypted email, mobile phones, voice over Internet, electronic data/document websites, and other technology) to communicate and transfer documents. Although the use of this technology involves some degree of risk that third parties may access confidential communications, we believe and, by signing the engagement letter, you agree that the benefits of using this technology outweigh the risk of accidental disclosure. Nevertheless, just as we have policies and systems in place designed to make our electronic communications with you reasonably secure, it is equally important that you communicate with us in a manner that reasonably protects the confidentiality of information we share and any attorney-client privilege that may apply to our communications. This means that you should not use any computers or other electronic devices, networks, or internet addresses that are owned, controlled, or may be accessed by others to send or receive confidential information to or from us. Any device you use should be password protected and not accessible for use by any third party.

Responding to Subpoenas and Other Requests for Information. If we are required to respond to a subpoena or other formal request from a third party or a governmental agency for our records or other information relating to services we have performed for you, or to testify by deposition or otherwise concerning such services, we will first consult with you as to whether you wish to provide the information demanded or assert the attorney-client privilege to the extent you may properly do so. In such circumstances, you agree that you will reimburse us for our time and expense incurred in responding to any such demand, including, but not limited to, time and expense incurred in searching for information and photocopying costs, reviewing documents, appearing at depositions or hearings, and otherwise litigating issues raised by the request.

Termination of Engagement. You may, at any time, terminate our representation upon written notice to us. We reserve the right to withdraw from our representation as required or permitted by the applicable rules of professional

conduct upon written notice to you. Your termination or our withdrawal will not relieve you of your obligation to pay for services already rendered, including work in progress and incomplete at the time of termination, and to pay for all expenses incurred on your behalf by us through the termination or withdrawal date.

Conclusion of Representation; Retention and Disposition of Documents. Unless previously terminated or otherwise agreed, our representation will conclude and the attorney-client relationship will terminate automatically upon the occurrence of either of the following: first, 30 days following the date on which we send you a final statement for services rendered in the matter(s); or second, in the event a final statement for services is not sent, when 12 months have elapsed with no meaningful billable services provided to the Client. Thereafter, should you reengage us to represent you, you agree that the terms of this letter shall apply to any matters that we handle for you unless a new engagement letter has been signed. At your request, client documents and property will be returned to you upon receipt of payment for outstanding fees and costs, although we reserve the right to copy any documents we deem appropriate. Our files and documents pertaining to the matter will be retained by us for ten years after the termination of a matter, without further notice to the Client.

Post-engagement Matters. The Client is engaging us to provide legal services in connection with a specific matter. After completion of the matter, changes may occur in the applicable laws or regulations that could impact the Client's future rights and liabilities. Unless the Client engages us after the completion of the matter to provide additional legal advice or services on issues arising from the matter, we have no continuing obligation to advise the Client on such issues or on future legal developments, including docketing milestones, making additional or continuation filings, monitoring renewal or notice dates or similar deadlines that may arise with respect to the matter, pursuing appeals, or taking other steps on the Client's behalf to protect its interests.

From: Steve Schwabauer, General Manager

RECOMMENDED ACTION: Authorize General Manager to enter into Contract Services Agreement with the Shasta Burns to provide Board Clerk, Records management and billing services to the District.

RECOMMENDATION:

Authorize the General Manager to enter into the Funding Agreement with the State of California (Department of Water Resources) regarding the Voluntary Agreement Early Implementation For The Mokelumne River.

DISCUSSION:

Shasta Burns provides services to the district under a 2015 agreement. The agreement and hourly rate are outdated and due for revision. The attached draft agreement revises a number of terms to include services she has evolved over time to provide the district. While the original agreement envisioned records-management she has over time become the billing agent for the district and the Board Clerk. These services have a higher value than the current rate of \$50.00/hour given the contract and non-benefited nature of the agreement. By comparison the Lodi City Clerk earns \$140,000 per year plus \$24,000 per year in available health insurance, retirement benefits that cost the city over 25% percent of salary (\$35,000/year) plus Dental, Vision, Life Insurance and other benefits. The major benefits add to an employment cost of \$200,000 per year or about \$96.00 an hour. Lodi's Executive Administrative Assistant earns \$95,000/year plus up to \$24,000 in health care and \$23,750 in retirement benefits for a total of 147,750 or \$68/hour. Lodi has historically been at the mid-range of local government employers. Ms. Burns requested a compensation adjustment of between \$65 and \$70 an hour and given the market rates discussed above staff is comfortable recommending \$70 per hour.

RECOMMENDATION:

Authorize the General Manager to enter into Contract Services Agreement with Shasta Burns for Board Clerk, Billing and Records Management Services.

FISCAL IMPACT: Shasta Burns billed the District for an average of 49 hours per month for the last twelve months at \$50.00 per hour for a total of \$29,400. The new rate would increase historic rates to \$70.00 per hour for a total of \$41,460 per year.

**Resolution 2023-
of the Board of Directors of the**

**NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT
Authorizing Execution of Contract with Shasta Burns to Provide District Services**

WHEREAS, North San Joaquin Water Conservation District [District) is in need to Executive Administrative Professional, Board Clerk and Billing Services.

WHEREAS, Shasta Burns has ably provided these services on a contract basis for a number of years under a currently outdated contract.

WHEREAS a review of the market indicates the pay rate is currently below market.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Board President and General Manager are authorized to execute the attached Services Agreement with Shasta Burns.

ADOPTED: November 27, 2023 on motion of Director _____, seconded by Director _____ and passed by the following vote:

AYES: ____ NOES: ____ ABSENT: ____ ABSTAINS: ____

CERTIFICATE OF SECRETARY

I do hereby certify that I am the Secretary of the North San Joaquin Water Conservation District, a water conservation district organized and existing under the laws of the State of California, and that the foregoing Resolution was duly adopted by the Board of Directors of said District at a meeting thereof duly and regularly held at Grape Festival Barrel Room, Lodi, California on the 30 day of January 2023, at which meeting a quorum of said Board of Directors was at all times present and acting, and that said Resolution has not been rescinded or amended in whole or any part thereof, and remains in force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and the Seal of the North San Joaquin Water Conservation District this 30 day of October, 2023

David Simpson, Secretary
North San Joaquin Water Conservation District

CONTRACT SERVICES AGREEMENT

This Professional Services Agreement, entered into as of December 1, 2023, by and between the **North San Joaquin Water Conservation District**, a public entity (hereinafter "District"), and **Shasta Burns** (hereinafter "Burns"), collectively the "Parties."

District and Burns hereby agree as follows:

1. SERVICES. District hereby retains Burns to provide records management, billing and Board Clerk services for the District. Additional services may be covered by this Agreement upon mutual agreement of the Parties.

2. HOURLY RATE; NOT-TO-EXCEED AMOUNT. For services performed under this Agreement during the term of this Agreement, Burns will be paid \$70.00 per hour. Any adjustment to the hourly rate after shall be by mutual agreement of the Parties. Burns will charge in increments of one-tenth of an hour, rounded off for each particular activity to the nearest one-tenth of an hour. The minimum time charged for any particular activity will be one-tenth of an hour. Unless otherwise agreed by the Parties, Burns shall not charge for travel time from and to her home to locations where District documents are located unless any such documents are located outside of the District Unless otherwise agreed by the Parties, the amount of this Agreement shall not exceed SIXTY SEVENTHOUSAND TWO HUNDREDDOLLARS (\$67,200) per year without written Board approval.

3. EXPENSES In addition to fees, District shall reimburse Burns for all out-of-pocket costs and expenses actually incurred by the Burns to perform her duties under this Agreement. Out-of-pocket expenses include, but are not limited to, mileage reimbursement at the federal rate, facsimile charges, photocopying and printing costs, postage for large envelopes and packages, overnight and express mail charges, and other reasonable expenses incurred to perform services under this Agreement.

4. INVOICES. Burns will normally provide monthly invoices to the District for all time and expenses, which invoice shall clearly state the basis thereof. The hourly rate section of the invoice shall include the number of hours of work, rate, and a brief description of the services performed by day. The reimbursable expense section of the invoice shall clearly identify the nature and amount of the expenses incurred. Burns understands that the District's Board of Director's regular meeting is the last Monday of each month and agrees that the goal is to pay her invoices within thirty (30) days from the date of the invoice but that may not occur from time to time.

5. TERMINATION. Both parties have the right to terminate this Agreement at any time with or without cause. Unless otherwise agreed in writing, any termination hereunder shall become effective upon receipt of written notice of termination. On Burns's termination, the amount due Burns for services rendered and costs and expenses incurred prior to the termination date shall remain due and payable.

6. NOTICES. All notices, invoices, reports or other communication to the parties shall be properly given if delivered in person or sent by First Class mail, facsimile or overnight delivery and addressed as follows:

If to District: North San Joaquin Water Conservation District, Attn: Board of Directors
PO Box 334, Victor, CA 95253

If to Burns: Shasta Burns
12380 Kirkwood Street, Herald, CA 95638

Either party may change its address for receipt of notices under this Agreement by notice given in the manner provided herein.

7. INSURANCE. Burns represents and agrees that it maintains, and will maintain during the term of this Agreement, public liability and automobile insurance applicable to the services to be provided hereunder. Burns is not required to maintain errors and omissions insurance.

8. INDEPENDENT CONTRACTOR. Burns shall at all times act as an independent contractor with respect to the performance of this Agreement. Neither Burns nor any employees or agents of Burns shall be considered an employee of District for any purpose. Burns agrees that she shall not be entitled to any medical, retirement, vacation, sick leave, or other such benefits and that she will not be covered by the District's workers compensation insurance.

IN WITNESS WHEREOF, the parties to this Agreement hereby indicate their acceptance of the terms and conditions stated herein as evidenced by the following signatures of their authorized representatives.

NORTH SAN JOAQUIN WCD

SHASTA BURNS

By: _____
President

By: _____
Shasta Burns

From: Steve Schwabauer, General Manager

RECOMMENDED ACTION: Authorize General Manager to enter into Change Order on the Phase 2B South System contract to authorize Arnaudo Construction to install the replacement temporary North System pump and fish screen on a Time and Materials Basis Not to Exceed \$125,000.00 without written board approval

DISCUSSION:

The District installed a temporary Pump Station, Fish Screen Pipeline and Diesel Generator to serve the North The System allowed the District to operate a temporary recharge basin North of the Mokelumne River in 2023. The system is estimated to have recharged over 500 Acre Feet of water that would otherwise have been lost to the District. The District has lined up additional property owners who are willing to pursue FloodMAR projects this fall and next fall before the permanent pump station (which is funded by the Voluntary Improvements Agreement with DWR) is completed. Due to supply chain constraints the District was not able to source an ideal pump and fish screen for the initial effort and it was only approved to operate on a one year basis. However, the District has been able to source a replacement, compliant pump and fish screen that is needed to be able to continue operating the temporary pump through the remainder of this and next season.

The District already acquired the mobile pump for \$145,878.07 and the fish screen for \$43,300.00. This Staff report now recommends that the District authorize the installation of the replacement pump and screen by Arnaudo Construction on a time and materials basis not to exceed \$125,000 without written Board approval. The contract will be approved through a change order to the Phase 2B South System contract.

RECOMMENDATION:

Authorize the General Manager to enter into Change Order #8 to the South System Phase 2B Contract with Arnaudo Construction to install the replacement Temporary North System Pump Station and Fish Screen.

FISCAL IMPACT: \$125,000 Funded by the SGMA Grant.

NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT P.O. Box E Victor, CA 95253 CONTRACT CHANGE ORDER NO. 8	DATE: November 27, 2023
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SOUTH SYSTEMS IMPROVEMENT PROJECT - PHASE II

To: ARNAUDO CONSTRUCTION, INC *(Contractor)*
You are hereby requested to comply with the following changes from the contract plans and specifications:

Description of Changes	DECREASE in Contract Price	INCREASE in Contract Price
<u>EXTRA WORK</u> Pipeline at the North System Pump Station on time and materials basis not to exceed:		\$125,000.00
Subtotal NET CHANGE IN CONTRACT PRICE		\$125,000.00 <hr style="border-top: 1px dashed black;"/> \$125,000.00

JUSTIFICATION:
 The work will be done on a time and materials basis with a not to exceed \$125,000 without written approval of the NSJWCD Board of Directors.

The amount of the original Contract:	\$1,974,900.00
The amount of the Contract will be Increased by the Sum of :	\$125,000.00
The amount of previous Change Orders:	\$268,825.24
The Contract Price Including this and previous Change Orders will be:	\$2,368,725.24

The Contract Period Provided for Substantial Completion Will Remain Unchanged.
 This document will become a supplement to the contract and all provisions will apply hereto.

Recommended _____
Steve Schwabauer, Contracting Officer *(Date)*

Accepted _____
Garrett Arnaudo, President *(Date)*

Approved _____
Joe Valente, Board President *(Date)*

**Resolution 2023-
of the Board of Directors of the**

**NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT
Authorizing Execution of Change Order #8 on the South System Phase 2 contract with
Arnaudo Construction to install a replacement temporary Pump and Fish Screen on the
North System**

WHEREAS, North San Joaquin Water Conservation District [District] installed a temporary pump and fish screen on the North System on an emergency basis to take advantage of record winter river flows in 2023.

WHEREAS, the temporary pump and fish screen are not optimized for use and have prohibitively expensive rental costs.

WHEREAS, the District has funding through the SGMA grant to purchase a temporary pump and fish screen at lower cost while having the benefit of being a mobile long-term asset that the district can deploy in other locations and has already acquired the pump and fish screen.

WHEREAS, there is inadequate time to bid a project to have the new system in place in time for the 2024 season.

WHEREAS, Arnaudo Construction installed the initial temporary pump and fish screen and has direct knowledge of the north system and is currently performing the South System Phase 2 contract.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Board President and General Manager are authorized to execute the attached Change Order #8 on the South System Phase 2 contract with Arnaudo Construction to install a replacement temporary Pump and Fish Screen on the North System on a Time and Materials Basis Not to Exceed \$125,000 without written Board Approval.

ADOPTED: November 27, 2023 on motion of Director _____, seconded by Director _____ and passed by the following vote:

AYES: ____ NOES: ____ ABSENT: ____ ABSTAINS: ____

CERTIFICATE OF SECRETARY

I do hereby certify that I am the Secretary of the North San Joaquin Water Conservation District, a water conservation district organized and existing under the laws of the State of California, and that the foregoing Resolution was duly adopted by the Board of Directors of said District at a meeting thereof duly and regularly held at Grape Festival Barrel Room, Lodi, California on the 30 day of January 2023, at which meeting a quorum of said Board of Directors was at all times present and acting, and that said Resolution has not been rescinded or amended in whole or any part thereof, and remains in force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and the Seal of the North San Joaquin Water Conservation District this 30 day of October, 2023

David Simpson, Secretary
North San Joaquin Water Conservation District

From: Steve Schwabauer, General Manager

RECOMMENDED ACTION: Ratify General Manager's entry of Contract with the California Conservation Corps to provide clean up services of the East Ditch on a Time and Materials Basis Not to Exceed \$6,000.

DISCUSSION:

The District operates one open ditch on its system known as the East Ditch that runs from Brandt Road on the North to Highway 88 at the old Waterloo Golf Club where it empties into Bear Creek. The district was unused and unmaintained for many years. In a gesture of goodwill to the neighbors and to prepare the ditch for irrigation water in 2023, the District cleaned the ditch under a contract with the California Conservation Corps. Staff felt it was important to maintain the ditch again this year but given the onset of winter did not have an opportunity to bring an item before the Board. After consulting with the Board President, Staff executed the attached agreement with the CCC and work was performed on November 20-23.

RECOMMENDATION:

Ratify the General Manager's entry of Contract with the California Conservation Corps to provide clean up services of the East Ditch on a Time and Materials Basis not to Exceed \$6,000.

FISCAL IMPACT: Estimated at \$6,000.

**Resolution 2023-
of the Board of Directors of the**

**NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT
Authorizing Execution of a Agreement with the California Conservation Corps to Clean
the East Side Ditch**

WHEREAS, North San Joaquin Water Conservation District (District) operates an irrigation ditch on its South System that delivers water from the South Pump Station to Bear Creek.

WHEREAS, the East Side ditch is filled with high weeds, trees, and garbage and is in need of maintenance.

WHEREAS, the California Conservation Corps has provided services to the district in the past to clean the ditch at a reasonable cost.

WHEREAS, the CCC proposes to provide the same cleanup services to the District on a time and materials basis not to exceed \$6,000.00.

WHEREAS in consultation with the Board President the General Manager scheduled the work in advance of the Board meeting to get the work done in advance of the impending rainy season that could significantly delay the work.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Board President and General Manager entry of the attached contract with the California Conservation Corp to clean the East Side Ditch in an amount not to exceed \$6,000 is hereby ratified by the Board of Directors.

ADOPTED: November 27, 2023 on motion of Director _____, seconded by Director _____ and passed by the following vote:

AYES: ____ NOES: ____ ABSENT: ____ ABSTAINS: ____

CERTIFICATE OF SECRETARY

I do hereby certify that I am the Secretary of the North San Joaquin Water Conservation District, a water conservation district organized and existing under the laws of the State of California, and that the foregoing Resolution was duly adopted by the Board of Directors of said District at a meeting thereof duly and regularly held at Grape Festival Barrel Room, Lodi, California on the ____ day of November 2023, at which meeting a quorum of said Board of Directors was at all times present and acting, and that said Resolution has not been rescinded or amended in whole or any part thereof, and remains in force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and the Seal of the North San Joaquin Water Conservation District this ____ day of November, 2023

David Simpson, Secretary

From: Steve Schwabauer, General Manager

RECOMMENDED ACTION: Authorize General Manager and Board President to Draw up to \$500,000 on F&M Warrant Agreement to Front Cost for Reimbursement Based Grant Funded North System Phase 1a and Authorize Payment of Invoices subject to concurrence of District Engineer, General Manager, General Counsel and Board President.

DISCUSSION: The Board authorized the District to borrow up to \$1.5 million from F&M Bank to fund construction efforts that are grant funded on a reimbursement basis via a Warrant Agreement. To date the District has not drawn any funds on the Warrant Agreement. However, the North System Phase 1a work is expected to begin receiving invoices in December. The invoices are expected to exceed the District's cash flow capacity during the three month period it typically takes the state to issue reimbursement checks. As such staff seeks approval for the General Manager and Board President to draw on the Warrant Agreement to meet cash flow for up to \$500,000.00 to fund construction work on the Board approved Phase 1 b contract. Staff further seeks approval to pay invoices on the Phase 1a contract without further Board action so long as the invoice is for work called for in the Phase 1a contract and subject to concurrence of the District Engineer, General Council, General Manager and Board President. Staff will report to the Board on any payments made under this approval at its next regular board meeting.

RECOMMENDATION: Authorize General Manager and Board President to Draw up to \$500,000 on F&M Warrant Agreement to Front Cost for Reimbursement Based Grant Funded North System Phase 1a and Authorize Payment of Invoices subject to concurrence of District Engineer, General Manager, General Counsel and Board President.

FISCAL IMPACT: \$500,000 Funded by the SGMA Grant.

**Resolution 2023-
of the Board of Directors of the**

**NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT
Authorizing Execution of Delivery of up to \$500,000 Draw on Warrant Agreement for
Payment of North System Phase 1a bills**

WHEREAS, North San Joaquin Water Conservation District [District) awarded the North System Phase 1a. contract to Avid Construction.

WHEREAS, the District authorized the issuance of up to \$1,500,000 in warrants with F&M Bank to pre fund construction contracts that are funded by reimbursement-based grants.

WHEREAS the AVID contract is expected to bill over \$500,000 in December and the District is not sufficiently capitalized to pay the invoices during the three-month period that it typically takes to process state reimbursements under the SGMA grant that is funding the Avid contract.

WHEREAS, the December Board meeting is falling early and may prevent timely payment of Avid invoices due to the Christmas holiday.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Board President and General Manager are authorized to execute and deliver to F&M Bank Warrant Agreements in the amount of up to \$500,000 to fund payments on the Avid contract for work authorized under the North System Phase 1a contract.
2. The General Manager is authorized to pay invoices on the Avid Contract for work authorized under the North System Phase 1a contract with the concurrence of the District Engineer, General Counsel and Board President.

ADOPTED: November 27, 2023 on motion of Director _____, seconded by Director _____ and passed by the following vote:

AYES: ____ NOES: ____ ABSENT: ____ ABSTAINS: ____

CERTIFICATE OF SECRETARY

I do hereby certify that I am the Secretary of the North San Joaquin Water Conservation District, a water conservation district organized and existing under the laws of the State of California, and that the foregoing Resolution was duly adopted by the Board of Directors of said District at a meeting thereof duly and regularly held at Grape Festival Barrel Room, Lodi, California on the 30 day of January 2023, at which meeting a quorum of said Board of Directors was at all times present and acting, and that said Resolution has not been rescinded or amended in whole or any part thereof, and remains in force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and the Seal of the North San Joaquin Water Conservation District this 30 day of October, 2023

David Simpson, Secretary
North San Joaquin Water Conservation District

Agenda Item 3-C6– Arnaudo Change Order – South System Pump

November 27, 2023

Action Requested: Board approval of Contract Change Order from Arnaudo Construction for Option 2, for the amount of Five Hundred Twelve Thousand Dollars and no Cents (**\$512,000.00**).

Background: Arnaudo Construction has constructed phase 1 and 2 of the South System Improvements including the new pump station, the Tretheway and Brandt control structure, and the mainline improvements. The first pump installed in the pump station has a 10 Cubic Feet per Second (CFS) capacity. The District needs to increase the capacity of the pump station to 40 CFS. The District has asked Arnaudo Construction to prepare a change order to install a second and third pump that will match the desired 40 CFS.

Following discussion at the September board meeting a revised request was made to increase the capacity of the second pump to 20 CFS and a third pump with a 10 CFS Capacity. Upon investigation of the system, the electrical contractor who installed the original system determined that the existing electrical equipment at the pump station was sufficient for the second pump but that additional upgrades would need to be included for the main power supply to accommodate a third and future fourth pump. The electrical contractor is working to determine the system requirements and associated costs for that equipment but was unable to provide Arnaudo with a cost at this time. After discussing with Arnaudo, it was determined that given the scope of the work required to increase the platform as well as the electrical work that there would be negligible savings from conducting the work as a single job vs completing them at separate times. We will continue to work with them to determine a price for the third pump.

Attached is a change order with two options for the second pump. The first option is to install a matching setup to the first pump that utilizes more expensive fixtures but does not require additional flow meters. The second option includes modifications to the existing pump discharge as well as adding a single flow meter at each pump. While this option is more expensive to replace the existing discharge and install the new pump with an additional meter, the savings for the third and potential fourth pump in the future exceed the cost of making the switch at this point. The additional operational flexibility as well as better data from flow meters and resiliency of the system with the individual flow meters for each pump makes this the better option.



PROPOSAL

Date: November 22, 2023
Project: South System
Owner: North San Joaquin Water Conservation District

Estimator: Randy Holtberg
Phone: (209) 817-4646
DIR No. 1000025395
License No. 903970

No.	Description	Quantity	Units	Unit Price	Total
OPTION 1					
Mobilization & 200 HP Pump					
1	Mobilization	1	LS	\$ 8,000.00	\$ 8,000.00
2	Buy Pumps	1	LS	\$ 167,000.00	\$ 167,000.00
3	Set Pumps	1	LS	\$ 15,500.00	\$ 15,500.00
4	Modify Misc. Metals	1	LS	\$ 8,000.00	\$ 8,000.00
5	Painting	1	LS	\$ 3,000.00	\$ 3,000.00
6	Startup & Testing	1	LS	\$ 3,500.00	\$ 3,500.00
				Sub-Total	\$ 205,000.00
Discharge Piping & Fittings to Match Existing					
1	Materials	1	LS	\$ 85,000.00	\$ 85,000.00
	<ul style="list-style-type: none"> • 18" Check Valve • 18" Butterfly Valve • ARV • 18" Spools & Fittings 				
2	Installation	1	LS	\$ 11,000.00	\$ 11,000.00
				Sub-Total	\$ 96,000.00
Electical					
1	Mobilization	1	LS		Included
2	200HP VFD & Feeder from Ex 400A Breaker	1	LS		Included
3	4 Breakers & Branch Circuits to Flow Meters	1	LS		Included
4	Above Ground Conduits, Boxes & Fittings	1	LS		Included
5	Above Ground Wiring & Terminations	1	LS		Included
6	Grounding and Grounding Connections	1	LS		Included
7	Startup & Testing	1	LS		Included
				Sub-Total	\$ 190,000.00
TOTAL - OPTION 1					\$ 491,000.00



PROPOSAL

OPTION 2

Mobilization & 200 HP Pump

1	Mobilization	1	LS	\$ 8,000.00	\$ 8,000.00
2	Buy Pumps	1	LS	\$ 167,000.00	\$ 167,000.00
3	Set Pumps	1	LS	\$ 15,500.00	\$ 15,500.00
4	Modify Misc. Metals	1	LS	\$ 8,000.00	\$ 8,000.00
5	Painting	1	LS	\$ 3,000.00	\$ 3,000.00
6	Startup & Testing	1	LS	\$ 3,500.00	\$ 3,500.00
				Sub-Total	\$ 205,000.00

Irrigation Style Discharge with Mag Meter

1	Materials	1	LS	\$ 44,000.00	\$ 44,000.00
	<ul style="list-style-type: none"> • 18" Check Valve • 18" Butterfly Valve • ARV • 18" Spools & Fittings • 18" Mag Meter 				
2	Installation	1	LS	\$ 11,000.00	\$ 11,000.00
				Sub-Total	\$ 55,000.00

Replace Ex Discharge with Mag Meter Setup

1	Materials	1	LS	\$ 44,000.00	\$ 44,000.00
	<ul style="list-style-type: none"> • 18" Check Valve • 18" Butterfly Valve • ARV • 18" Spools & Fittings • 18" Mag Meter 				
2	Remove/Modify Existing Discharge	1	LS	\$ 7,000.00	\$ 7,000.00
3	Installation	1	LS	\$ 11,000.00	\$ 11,000.00
				Sub-Total	\$ 62,000.00

Electical

1	Mobilization	1	LS		Included
2	200HP VFD & Feeder from Ex 400A Breaker	1	LS		Included
3	4 Breakers & Branch Circuits to Flow Meters	1	LS		Included
4	Above Ground Conduits, Boxes & Fittings	1	LS		Included
5	Above Ground Wiring & Terminations	1	LS		Included
6	Grounding and Grounding Connections	1	LS		Included
7	Startup & Testing	1	LS		Included
				Sub-Total	\$ 190,000.00

TOTAL - OPTION 2 **\$ 512,000.00**

Prepared by: Robert Granberg, Granberg & Associates, Inc.

RECOMMENDATION:

Motion: Approve Change Order No. 9 to the South System Phase II Project in the amount of \$94,237.84 to Arnaudo Construction Inc. for Unforeseen Conditions and Extra Work

DISCUSSION:

The South System Phase III Project was awarded to Arnaudo Construction by Resolution 2023-03 in the amount of \$1,974,900 on January 30, 2023, for the replacement of 4,800 lineal feet of South System mainline and associated structures. Previous change orders have increased the Phase II project cost to \$2,368,725.24.

During construction the contractor 1) encountered groundwater necessitating additional labor and materials to place crushed rock in the pipeline trench, 2) additional labor and materials to install a temporary tie-in when work was paused near Harney Lane Winery, and 3) labor and materials for additional asphalt concrete paving near Handel Road. The total amount of these additional work items is \$94,237.84 (see attached Potential Change Orders).

Staff recommends approving Change Order No. 9, in the amount of \$94,237.84 for these additional work items.

FINANCIAL SUMMARY:

Prior to this Change Order No. 9, the South System Phase II project cost is \$2,368,725.24. Change Order No. 9 increases the contract value to \$2,462,963.08. The Phase II Project is paid for by a combination of Proposition 1 grant funding, landowner funding through Improvement District No. 3 and the District's groundwater charge.

ENVIRONMENTAL DETERMINATION:

The South System Phase II project is a phase of a larger project evaluated in the Initial System and Mitigated Declaration for the DREAM Project and NSJWCD South System Improvements (2016), Notice of Determination filed September 1, 2016.



**PROPOSED CHANGE ORDER
NO. 07**

SUBJECT: Groundwater **DATE:** 09/21/23
PROJECT: NSJWCD South System Improvements Phase II **JOB NO:** 23005
TO: North San Joaquin Water Conservation District **FROM:** Randy Holtberg
PO Box E
Victor, CA 95253 **ATTN:**

DESCRIPTION

Costs associated with intrusion of unanticipated groundwater into trench

ITEM	DESCRIPTION	QTY	UM	UNIT	TOTAL
1	T&M per Attached	1	LS	\$17,720.07	\$17,720.07

TOTAL AMOUNT	\$17,720.07
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APPROVAL

BY: _____

BY: _____
Randy Holtberg

DATE: _____

DATE: _____



PO Box 390
Tracy, CA 95378

TM Cost Worksheet

Worksheet Number
225

Worksheet Date
9/17/2023

Prepared For: North San Joaquin WCD
PO Box E
Victor, CA 95253

Location: NSJWCD South System Phase II

Job No	Customer Job No	Customer PO	Work Performed Dates	
23005			From: 1/1/2023	Thru: 9/17/2023

Work Performed

Notes / Comments:

Groundwater

Breakdown of Costs

LABOR						
Date	Full Name	Trade	Type	Qty	Unit Price	Price
6/13/2023	Ponce, Alexis	LABAP	REG	6.00	93.00	558.00
	Hernandez, Guillermo E	LABCS	REG	6.00	92.00	552.00
	Villa, John	LABCS	REG	6.00	102.00	612.00
	Santos, Donald	OE3G1	REG	6.00	129.00	774.00
	Barbieri, Jeffrey	OE3G4	REG	6.00	122.00	732.00
	Lawrence, Maximilian R	OE3G4	REG	6.00	129.00	774.00
6/15/2023	Ponce, Alexis	LABAP	REG	2.00	93.00	186.00
	Hernandez, Guillermo E	LABCS	REG	2.00	92.00	184.00
	Villa, John	LABCS	REG	2.00	102.00	204.00
	Santos, Donald	OE3G1	REG	2.00	129.00	258.00
	Barbieri, Jeffrey	OE3G4	REG	2.00	122.00	244.00
	Lawrence, Maximilian R	OE3G4	REG	2.00	129.00	258.00
Labor Total:						5,336.00

EQUIPMENT						
Date	EQ #	EQ Description	Rate Type	Qty	Unit Price	Price
6/13/2023		Cat 325 Excavator (Rental)	Hrly	6.00	150.00	900.00
6/13/2023		Cat 950 Loader (Rental)	Hrly	6.00	138.00	828.00
6/13/2023	1204	2019 Ford F350_John	Hrly	6.00	42.00	252.00
6/13/2023	1206	2019 F 350_Max	Hrly	6.00	42.00	252.00



PO Box 390
Tracy, CA 95378

TM Cost Worksheet

Worksheet Number
225

Worksheet Date
9/17/2023

Prepared For: North San Joaquin WCD
PO Box E
Victor, CA 95253

Location: NSJWCD South System Phase II

Job No	Customer Job No	Customer PO	Work Performed Dates			
23005			From: 1/1/2023	Thru: 9/17/2023		
6/13/2023	1401	2013 F750 Water Truck	Hrly	6.00	78.00	468.00
6/13/2023	1603	Cat 330	Hrly	6.00	180.00	1,080.00
6/13/2023	1803	2014 Genie GTH-1056	Hrly	6.00	72.00	432.00
6/15/2023		Cat 325 Excavator (Rental)	Hrly	2.00	150.00	300.00
6/15/2023		Cat 950 Loader (Rental)	Hrly	2.00	138.00	276.00
6/15/2023	1204	2019 Ford F350_John	Hrly	2.00	42.00	84.00
6/15/2023	1206	2019 F 350_Max	Hrly	2.00	42.00	84.00
6/15/2023	1401	2013 F750 Water Truck	Hrly	2.00	78.00	156.00
6/15/2023	1603	Cat 330	Hrly	2.00	180.00	360.00
6/15/2023	1803	2014 Genie GTH-1056	Hrly	2.00	72.00	144.00
Equipment Total:						5,616.00

MATERIAL					
Vendor Name	Invoice #	Description	Cost	15% Mark-Up	Price
Teichert Aggregates	10578678	Crushed Rock	396.96	59.54	456.50
Teichert Aggregates	10578679	Crushed Rock	1,964.15	294.62	2,258.77
Teichert Aggregates	10579080	Crushed Rock	962.17	144.33	1,106.50
Material Total:					3,821.77

SUBCONTRACTS					
Vendor Name	Invoice #	Description	Cost	15% Mark-Up	Price
Bob Harkrader, Inc.	58055	Haul Crushed Rock	2,044.00	306.60	2,350.60
Bob Harkrader, Inc.	58071	Haul Crushed Rock	518.00	77.70	595.70



TM Cost Worksheet

Worksheet Number
225

Worksheet Date
9/17/2023

Prepared For: North San Joaquin WCD
PO Box E
Victor, CA 95253

Location: NSJWCD South System Phase II

Job No	Customer Job No	Customer PO	Work Performed Dates
23005			From: 1/1/2023 Thru: 9/17/2023

Subcontract Total: 2,946.30

Subtotal: 17,720.07
Overhead: 0.00

Total Approved: 17,720.07

Cost Approved By: _____ North San Joaquin WCD Date: _____

Project Manager: _____ Arnaudo Construction Date: _____



**PROPOSED CHANGE ORDER
NO. 08**

SUBJECT: Temporary Tie-In

DATE: 09/21/23

PROJECT: NSJWCD South System Improvements Phase II

JOB NO: 23005

TO: North San Joaquin Water Conservation District
PO Box E
Victor, CA 95253

FROM: Randy Holtberg

ATTN:

DESCRIPTION

Costs associated with temporary tie-in work.

ITEM	DESCRIPTION	QTY	UM	UNIT	TOTAL
1	T&M per Attached	1	LS	\$68,867.77	\$68,867.77

TOTAL AMOUNT	\$68,867.77
---------------------	--------------------

APPROVAL

BY: _____

BY: _____
Randy Holtberg

DATE: _____

DATE: _____



TM Cost Worksheet

Worksheet Number
224

Worksheet Date
9/17/2023

Prepared For: North San Joaquin WCD
PO Box E
Victor, CA 95253

Location: NSJWCD South System Phase II

Job No	Customer Job No	Customer PO	Work Performed Dates	
23005			From: 1/1/2023	Thru: 9/17/2023

Work Performed

48180 Temp Tie-ins

Notes / Comments:

Breakdown of Costs

LABOR						
Date	Full Name	Trade	Type	Qty	Unit Price	Price
7/10/2023	Ponce, Alexis	LABAP	REG	5.00	93.00	465.00
	Hernandez, Guillermo E	LABCS	REG	5.00	92.00	460.00
	Villa, John	LABCS	REG	5.00	102.00	510.00
	Villa, John	LABCS	OT	1.00	132.00	132.00
	Santos, Donald	OE3G1	REG	5.00	129.00	645.00
	Barbieri, Jeffrey	OE3G4	REG	5.00	122.00	610.00
	Lawrence, Maximilian R	OE3G4	REG	1.00	129.00	129.00
	Lawrence, Maximilian R	OE3G4	OT	1.00	169.00	169.00
7/11/2023	Ponce, Alexis	LABAP	REG	8.00	93.00	744.00
	Hernandez, Guillermo E	LABCS	REG	8.00	92.00	736.00
	Villa, John	LABCS	REG	8.00	102.00	816.00
7/12/2023	Ponce, Alexis	LABAP	REG	4.00	93.00	372.00
	Hernandez, Guillermo E	LABCS	REG	4.00	92.00	368.00
	Villa, John	LABCS	REG	4.00	102.00	408.00
	Santos, Donald	OE3G1	REG	4.00	129.00	516.00
7/14/2023	Hernandez, Guillermo E	LABCS	REG	8.00	92.00	736.00
	Villa, John	LABCS	REG	8.00	102.00	816.00
7/20/2023	Villa, John	LABCS	OT	1.50	132.00	198.00



TM Cost Worksheet

Worksheet Number
224

Worksheet Date
9/17/2023

Prepared For: North San Joaquin WCD
PO Box E
Victor, CA 95253

Location: NSJWCD South System Phase II

Job No	Customer Job No	Customer PO	Work Performed Dates			
			From: 1/1/2023	Thru: 9/17/2023		
23005						
7/20/2023	Villa, John	LABCS	REG	8.00	102.00	816.00
	Santos, Donald	OE3G1	REG	8.00	129.00	1,032.00
	Santos, Donald	OE3G1	OT	0.50	169.00	84.50
7/21/2023	Villa, John	LABCS	OT	2.00	132.00	264.00
	Villa, John	LABCS	REG	8.00	102.00	816.00
	Santos, Donald	OE3G1	REG	8.00	129.00	1,032.00
7/22/2023	Villa, John	LABCS	OT	8.00	132.00	1,056.00
	Santos, Donald	OE3G1	OT	7.00	169.00	1,183.00
7/24/2023	Ponce, Alexis	LABAP	REG	6.00	93.00	558.00
	Portillo, Alejandro	LABCS	REG	8.00	93.00	744.00
	Portillo, Alejandro	LABCS	OT	0.50	120.00	60.00
	Ulloa, Jesus	LABCS	OT	0.50	120.00	60.00
	Ulloa, Jesus	LABCS	REG	8.00	93.00	744.00
	Villa, John	LABCS	REG	6.00	102.00	612.00
	Santos, Donald	OE3G1	REG	6.00	129.00	774.00
7/25/2023	Ponce, Alexis	LABAP	REG	5.00	93.00	465.00
	Hernandez, Guillermo E	LABCS	REG	5.00	92.00	460.00
	Portillo, Alejandro	LABCS	REG	8.00	93.00	744.00
	Ulloa, Jesus	LABCS	REG	8.00	93.00	744.00
	Villa, John	LABCS	REG	5.00	102.00	510.00
	Lawrence, Maximilian R	OE3G4	OT	0.50	169.00	84.50
	Lawrence, Maximilian R	OE3G4	REG	8.00	129.00	1,032.00
7/26/2023	Ponce, Alexis	LABAP	REG	8.00	93.00	744.00
	Hernandez, Guillermo E	LABCS	REG	8.00	92.00	736.00
	Portillo, Alejandro	LABCS	REG	8.00	93.00	744.00
	Ulloa, Jesus	LABCS	REG	8.00	93.00	744.00
	Villa, John	LABCS	REG	8.00	102.00	816.00
	Lawrence, Maximilian R	OE3G4	REG	8.00	129.00	1,032.00



TM Cost Worksheet

Worksheet Number
224

Worksheet Date
9/17/2023

Prepared For: North San Joaquin WCD
PO Box E
Victor, CA 95253

Location: NSJWCD South System Phase II

Job No	Customer Job No	Customer PO	Work Performed Dates				
23005			From: 1/1/2023	Thru: 9/17/2023			
7/27/2023	Ponce, Alexis	LABAP	REG	4.00	93.00	372.00	
	Hernandez, Guillermo E	LABCS	REG	4.00	92.00	368.00	
	Villa, John	LABCS	REG	4.00	102.00	408.00	
7/28/2023	Ponce, Alexis	LABAP	REG	8.00	93.00	744.00	
	Ponce, Alexis	LABAP	OT	0.50	120.00	60.00	
	Portillo, Alejandro	LABCS	REG	8.00	93.00	744.00	
	Villa, John	LABCS	REG	8.00	102.00	816.00	
	Villa, John	LABCS	OT	0.50	132.00	66.00	
	Lawrence, Maximilian R	OE3G4	OT	2.50	169.00	422.50	
	Lawrence, Maximilian R	OE3G4	REG	8.00	129.00	1,032.00	
8/1/2023	Ponce, Alexis	LABAP	REG	2.00	93.00	186.00	
	Villa, John	LABCS	REG	2.00	102.00	204.00	
	Santos, Donald	OE3G1	REG	8.00	129.00	1,032.00	
Labor Total:						33,975.50	

EQUIPMENT							
Date	EQ #	EQ Description	Rate Type	Qty	Unit Price	Price	
7/10/2023	1206	2019 F 350_Max	Hrly	2.00	42.00	84.00	
7/10/2023	1206	2019 F 350_Max	Hrly	2.00	42.00	84.00	
7/10/2023	1206	2019 F 350_Max	Hrly	2.00	42.00	84.00	
7/10/2023	1501	Cat 420 D	Hrly	5.00	72.00	360.00	
7/10/2023	1501	Cat 420 D	Hrly	5.00	72.00	360.00	
7/10/2023	1501	Cat 420 D	Hrly	5.00	72.00	360.00	
7/11/2023	1204	2019 Ford F350_John	Hrly	8.00	42.00	336.00	
7/11/2023	1204	2019 Ford F350_John	Hrly	8.00	42.00	336.00	
7/11/2023	1204	2019 Ford F350_John	Hrly	8.00	42.00	336.00	
7/14/2023	1204	2019 Ford F350_John	Hrly	8.00	42.00	336.00	
7/14/2023	1204	2019 Ford F350_John	Hrly	8.00	42.00	336.00	
7/14/2023	1204	2019 Ford F350_John	Hrly	8.00	42.00	336.00	



TM Cost Worksheet

Worksheet Number
224

Worksheet Date
9/17/2023

Prepared For: North San Joaquin WCD
PO Box E
Victor, CA 95253

Location: NSJWCD South System Phase II

Job No	Customer Job No	Customer PO	Work Performed Dates			
23005			From: 1/1/2023	Thru: 9/17/2023		
7/24/2023	1204	2019 Ford F350_John	Hrly	3.00	42.00	126.00
7/24/2023	1204	2019 Ford F350_John	Hrly	3.00	42.00	126.00
7/24/2023	1601	2007 Kobleco SK 350	Hrly	3.00	180.00	540.00
7/24/2023	1601	2007 Kobleco SK 350	Hrly	3.00	180.00	540.00
7/25/2023	1204	2019 Ford F350_John	Hrly	5.00	42.00	210.00
7/25/2023	1206	2019 F 350_Max	Hrly	4.00	42.00	168.00
7/25/2023	1206	2019 F 350_Max	Hrly	4.50	42.00	189.00
7/25/2023	1601	2007 Kobleco SK 350	Hrly	4.00	180.00	720.00
7/26/2023	1206	2019 F 350_Max	Hrly	8.00	42.00	336.00
7/26/2023	1601	2007 Kobleco SK 350	Hrly	8.00	180.00	1,440.00
7/27/2023	1204	2019 Ford F350_John	Hrly	4.00	42.00	168.00
7/28/2023	1204	2019 Ford F350_John	Hrly	8.50	42.00	357.00
7/28/2023	1206	2019 F 350_Max	Hrly	10.50	42.00	441.00
8/1/2023	1204	2019 Ford F350_John	Hrly	2.00	42.00	84.00
Equipment Total:						8,793.00

MATERIAL					
Vendor Name	Invoice #	Description	Cost	15% Mark-Up	Price
Knife River - Materials	391737	Concrete Blocks	708.50	106.28	814.78
Lowe's	07102023		32.70	4.91	37.61
Morrill Industries	INV00168158	Transition Couplings	3,574.63	536.19	4,110.82
Morrill Industries	INV000168244	Transition Couplings	1,863.16	279.47	2,142.63
Pacific Southwest Irrigation	254900	24" PVC Pipe & Fittings	8,480.93	1,272.14	9,753.07
Pacific Southwest Irrigation	256318	24" PVC Elbow & Glue	2,933.04	439.96	3,373.00
Teichert Aggregates	10587670	Crushed Rock	471.87	70.78	542.65
Teichert Aggregates	10588437	Crushed Rock	394.55	59.18	453.73
Teichert Aggregates	10588532	Crushed Rock	974.99	146.25	1,121.24
White Cap	10018431741	Hydraulic Cement Compound	173.06	25.96	199.02



TM Cost Worksheet

Worksheet Number
224

Worksheet Date
9/17/2023

Prepared For: North San Joaquin WCD
PO Box E
Victor, CA 95253

Location: NSJWCD South System Phase II

Job No	Customer Job No	Customer PO	Work Performed Dates	
23005			From: 1/1/2023	Thru: 9/17/2023

Material Total: 22,548.55

SUBCONTRACTS

Vendor Name	Invoice #	Description	Cost	15% Mark-Up	Price
Bob Harkrader, Inc.	58453	Haul Crushed Rock	322.00	48.30	370.30
Bob Harkrader, Inc.	58477	Haul Crushed Rock	560.00	84.00	644.00
Bob Harkrader, Inc.	58478	Haul Dirt Spoils Onsite	1,432.20	214.83	1,647.03
Hammer Trucking	61344	Equipment Transport	416.88	62.53	479.41
Hammer Trucking	61343	Equipment Transport	356.50	53.48	409.98
Subcontract Total:					3,550.72

Subtotal: 68,867.77
Overhead: 0.00

Total Approved: 68,867.77

Cost Approved By: _____ Date: _____
North San Joaquin WCD

Project Manager: _____ Date: _____
Arnaudo Construction



**PROPOSED CHANGE ORDER
NO. 09**

SUBJECT: Additonal Paving

DATE: 09/21/23

PROJECT: NSJWCD South System Improvements Phase II

JOB NO: 23005

TO: North San Joaquin Water Conservation District
PO Box E
Victor, CA 95253

FROM: Randy Holtberg

ATTN:

DESCRIPTION

Additional paving requested near Handel Rd

ITEM	DESCRIPTION	QTY	UM	UNIT	TOTAL
1	Additional AC Paving	1,500	SF	\$5.10	\$7,650.00

TOTAL AMOUNT	\$7,650.00
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APPROVAL

BY: _____

BY: _____
Randy Holtberg

DATE: _____

DATE: _____

PREPARED BY: Petrea Marchand, Consero Solutions
Steve Schwabauer, General Manager

RECOMMENDATION: Receive Update on North San Joaquin Water Conservation District Project Funding Requests and Grant Opportunities

BACKGROUND:

Consero Solutions provides monthly reports on funding opportunities for which the District has applied or for which the District is considering applying.

DISCUSSION:

1. U.S. Bureau of Reclamation WaterSMART Drought Response Program

Project Name: South System Modernization Project, Phase 4

Amount Requested: \$5 million

Amount of Cost Share: 50%

Status: **SUBMITTED (November 3, 2023)**

Application Due: **November 7, 2023**

Status: Consero Solutions worked with the District Deputy Secretary, District Engineer, General Counsel, and the General Manager (team effort!) to complete the WaterSMART grant application. Consero believes this application is a long shot for the District because of the small amount of money available and because the District's project does not meet the Bureau's criteria to directly benefit disadvantaged communities. Consero believed it was worth applying, however, because the Bureau has additional funding from the federal Infrastructure Investment and Jobs Act for this year's round and does not anticipate this funding source will continue after this year. The Bureau also increased the limit on applications from \$2 million to \$5 million for this funding round.

Context: The WaterSMART Drought Response Program is an annual program which receives money through the annual federal appropriations process. The program typically limits applications to \$2 million and only provides between \$30 million and \$40 million in awards. Consero tracked the development of this opportunity for over a year, resulting in an April 24, 2023 decision by the District Board to apply for \$5 million for the South System Project, Phase 4. The Bureau released the Notice of Funding Opportunity for the WaterSMART Drought Response Program on August 7, 2023 and anticipates awarding a total of \$55 million in federal funding for drought resiliency projects in the western states.

2. California Department of Food and Agriculture Office of Environmental Farming and Innovation State Water Efficiency and Enhancement Program (SWEEP)

Project Name: State Water Efficiency and Enhancement Program

Amount Requested: Up to \$200,000 per grower

Amount of Cost Share: Encouraged, but not required

Release Request for Grant Application: November 28, 2023

Application Due: **January 19, 2024**

Status: The Department released the State Water Efficiency and Enhancement Program guidelines in early November and will release the request for applications on November 28, 2023. Consero developed a flyer to encourage growers to apply and worked with the General Manager to send a message to the distribution list with the flyer. The State Water Efficiency and Enhancement Program is different from the SWEEP Block Grant Pilot Program in that the State Water Efficiency and Enhancement Program will award grants directly to growers. The Department has confirmed they will not exclude growers in the service areas of SWEEP Block Grant Pilot Program awardees like the District.

Context: The Department has offered this program, which provides grants to growers for on-farm projects to increase irrigation efficiency and reduce greenhouse gas emissions, for years. The District has encouraged growers to apply in the past, but few growers received funding through the program because of significant competition. The Department has updated the guidelines to include criteria favorable to the District, including two extra points if the grower's operation is in a critically overdrafted groundwater basin. The SWEEP Block Grant Pilot Program and the traditional SWEEP Grant Program will award a combined total of \$70 million this year, of which approximately \$42.5 million was allocated to the Block Grant Pilot Program and \$37.5 million to the traditional program that provides grants directly to growers. The 2023-24 State budget does not include any funding for a 2024 round for this program, so this may be the last opportunity to apply for a couple of years.

3. **Office of Planning and Research Integrated Climate Adaptation and Resiliency Program – [Regional Resilience Planning and Implementation Grant Program](#)**
Project Name: TBD
Amount Requested: TBD
Amount of Cost Share: TBD
Application Due: **Anticipated August 2024**

Status: At the May 22nd meeting, the Board did not object to staff's recommendation to postpone this application until 2024. OPR released the Round 1 solicitation guidelines on June 13, 2023 and the deadline for this year was August 29, 2023. Consero will advise the Board after OPR announces awards from the 2023 funding round as to potential plans or projects likely to be competitive if the District decides to apply next year. The District will likely need to develop multi-benefit groundwater recharge projects to increase competitiveness for this funding opportunity.

Context: The Governor's Office of Planning and Research (OPR), through the Integrated Climate Adaptation and Resiliency Program (ICARP), is funding the Regional Resilience Planning and Implementation Grant Program (RRGP). Over three funding rounds, the RRGF will award \$125 million in planning and implementation grants to advance climate resilience and respond to the greatest climate risks in their regions, including projects consistent with Groundwater

Sustainability Plans. Grants will be made available both competitively and on a formula basis and will consider these key priorities:

- Support regional projects aligned with ICARP priorities that improve regional climate resilience and reduce climate risks from wildfire, sea level rise, drought, flood, increasing temperatures, and extreme heat events.
- Support projects or actions that address the greatest climate risks in the region, particularly in the most vulnerable communities.
- Address gaps in climate resilience funding and support sustainable and cohesive climate resilient projects.

4. Resources Bond Update

Status: The District sent letters to Assemblymember Garcia and Senator Allen, the authors of proposed resources bonds, in October 2023 regarding the District’s support for groundwater sustainability funding (SWEEP, IRWMP, and SGMA) in the proposed bonds. The District invited Senator Eggman and Assemblyman Villapudua to tour the District on December 8th and learn more about the District’s resources bond priorities, but neither legislator is available. The General Manager is following up with each legislator’s office to schedule meetings in their District or Capitol offices and also will offer a tour in January or February if legislators are willing to attend.

Context: The District is engaging in the resources bond discussion because the state’s \$30 billion 2023-24 budget deficit resulted in no additional funding to grant programs of interest to the District, such as SGMA and SWEEP. As a result, Consero expects no future funding rounds for these programs until a resources bond is passed. The Governor indicated in August he would not support finalizing a resources bond in the 2023 legislative session, which ended September 15th. The Legislature will therefore continue working on the resources bond in January 2024, with the goal of placing the resources bond on the November 2024 ballot by May 2024. The 2023-24 State budget and the bond discussions are further complicated by federal and state tax filing deadline delays — which extended the deadline to November 16th in 55 of the state’s 58 counties because of severe winter storms. The State will announce the size of the State’s budget deficit after Thanksgiving. If smaller than anticipated, the Governor and the Legislature may allocate some one-time funds to grant programs and may increase the amount of bonded indebtedness the State is willing to accept. The Governor’s current proposed cap on State bonded indebtedness is \$26 billion for the \$80 billion in proposed bonds under consideration by the Legislature. Both proposed resources bonds are \$15 billion, so legislators are likely to reduce the amount once negotiations resume in January. The District’s goal is to draw attention to the need to maintain the groundwater sustainability funding.

BOARD OF DIRECTORSP.O. Box E, Victor, CA 95253

From: Steve Schwabauer, General Manager

RECOMMENDED ACTION: Provide Direction to Staff on Handel Lateral Financing Proposal.

DISCUSSION:

North San Joaquin Water Conservation District proposes to provide pressurized irrigation water service through a new lateral off of the main South System pipeline, running parallel to and near Handel Road (the Handel Lateral). The Handel Lateral will be capable of serving 1,000 acres with pressurized irrigation water and also able to provide low-pressure flood flows for recharge purposes during the non-irrigation season. The District seeks interest from property owners along the alignment to determine whether owners will take irrigation water and/or are interested in taking recharge flood flows in the winter. In order for Landowners to seriously consider the prospect the District needs to create a financial proposal.

The District estimates that the Handel lateral project will cost \$1.7 million to construct. \$1 million is covered by a federal grant leaving the District to raise \$700,000 to deliver the project. Staff is seeking Board direction on a funding strategy to finance that balance.

Staff recommends that the District allocate half of the \$700,000 balance to its groundwater charge leaving \$350,000 to be covered by assessments from irrigation customers. The 50/50 allocation is based on the high recharge and FloodMAR potential by land served by the lateral. Irrigation customers would be asked to join a new ten-year sub-improvement district (ID#3B) at \$35 per acre per year and the existing Improvement District (ID#3) that constructed the South System Pump Station facilities at \$50 per acre per year, for a total assessment of \$85 per acre per year for ten years. Members of ID#3 receive a 50 percent discount on their groundwater charges currently at \$15 per acre-foot. For vineyard acres (using 2 af/ac) the net cost for ten years would be \$70/ac (\$85/ac assessment less \$15/ac groundwater charge savings). Thereafter, the 50% discount on groundwater charges would continue as long as the current groundwater charge system is in place. The ground water charge discount is based on the fact that irrigation customers will reduce their groundwater use as a result of taking surface irrigation water approximately 50 percent of the time.

The Board will also need to create a per acre surface water charge for delivered pressurized irrigation water from the lateral, similar to the delivery of pressurized water from the Pixley Lateral (ID#3A). The surface water charge for ID#3A and #3B should reflect the higher cost to provide pressurized water related to the additional energy costs of the booster pumps.

The District also seeks landowner interest in winter flood recharge water (FloodMAR). Landowners are eligible to sign up for one or both programs. Under the Flood Recharge Program the District will deliver flood flows in wet winter years and either pay the landowner to lease their property for district FloodMAR operations, or potentially pay the landowners per acre-foot to conduct recharge operations themselves (discussed in the previous Agenda item)..

The District's water right is junior to other water right holders and therefore availability of water during the irrigation season is limited to above normal and wet years. Historically the district has irrigation water available in 6 out of 10 years and it will be important to be fully transparent with

irrigation customers. Flood MAR water is potentially available in additional year types because it can be taken during the December through June time period.

The financial proposal is outlined below:

FINANCIAL PROPOSAL SUMMARY:

1. Pressurized Irrigation Water

\$35 per year per acre for ten years to join Handel Lateral sub-improvement district (ID#3B)

\$50 per year per acre for ten years to join South System Surface Water Users Improvement District (ID#3)

50% discount on Ground Water charges

To be determined surface water charge for ID members and non-members

2. FloodMAR

To be determined Payment to landowners for District Lease of property for flooding operations conducted by District, OR payment of price per acre foot of recharged water to Landowner based on recharge accomplished by Landowners actions.

RECOMMENDATION:

Provide Direction to Staff on Handle Lateral Financing Proposal.

FISCAL IMPACT: Subject to Board Input but potentially \$350,000 to be paid from groundwater charge revenues and \$350,000 to be collected from landowner assessments for new ID#3B lands. (1,000 acres x \$350/ac).

From: Steve Schwabauer, General Manager

RECOMMENDED ACTION: Provide Direction to Staff on Development of Program to Pay Landowners for O&M of FloodMAR Projects.

DISCUSSION:

North San Joaquin Water Conservation District currently operates or will soon be operating three FloodMAR projects at the Reynolds, Lakso and Costa properties. The Costa project is operated entirely by the landowner. The Reynolds project, and the soon to be Lakso projects are maintained by Richard Rodriguez under contract at the District's expense. Mr. Rodriguez turns the pumps on and off, installs berms and pipes as needed, and manages the water applied to the field to ensure water does not escape the intended field (and potentially causing third party liability). With all three projects, the District, rather than the landowner, gets "credit" for the water that is recharged by the project.

The District is expecting to significantly increase its FloodMAR field locations with the addition of the Handel Lateral funded in part by the \$1 mil USDA grant and the South System Phase III project funded by the \$2.9 mil IRWM grant. Staff discussed ways to make participation in FloodMAR more attractive for landowners in district and reduce the costs and staff burdens for the district. Most of the showcased FloodMAR projects at conferences and in state literature occur in basins with pumping restrictions. In basins with pumping restrictions, landowners have an incentive to conduct on-farm recharge, at their expense, because they are able to obtain additional pumping "credits" as a result of the recharge which allow them to continue farming additional acreage and avoid over-pumping fines of \$300/af or more.

Our basin does not and is not likely to have pumping restrictions in the medium term. As such some other incentive is necessary to encourage landowner participation in District FloodMAR programs.

At present the District has negotiated three successful FloodMAR agreements with area growers, Reynolds, Lakso and Costa. The terms are slightly different for each project. For the most recent project, Lakso, the district has a lease to conduct recharge on the vineyard during the dormant season for \$50/acre/year. The District will then have to hire staff to handle all of the operations and maintenance including pump start up and shut off, berm creation and maintenance and field rotation. The District paid approximately \$7,000 per month for these services on the Reynolds site. The Reynolds operational cost may have been high relative to other more manicured sites because the fields had to be frequently rotated to reduce vector control risk.

District staff has been thinking about other ways to incentivize landowners to participate in FloodMAR projects and how to operate these projects more efficiently. One concept is to develop a policy to pay landowners a set fee per acre-foot of recharge that they accomplish on their property, and put all of the burden of the operations of the project on the landowner. For example, the district could pay landowners \$50 per acre-foot of water that they recharge. The policy would need to provide parameters to ensure that the turnouts off of district facilities are sound and that the water diverted is actually recharged into the basin.

With such a policy, the owner of a 10-acre parcel with a recharge rate of 4 inches per day could recharge 10 acre-feet every 3 days, or 100 acre-feet over 30 days. They would be paid \$5000 for this result by the District. If the project continued for several months, they could be paid \$20,000 for recharging 400 acre-feet of water.

This concept does not come without risk or other costs to the District. The District may be exposed to claims for flooding related claims for poorly maintained projects. This risk could be mitigated with insurance (if available and staff has requested a call with our carrier to explore it) and with an inspection program. The inspection could be done bi-weekly by district staff. While the inspection would have an opportunity cost it would come at no additional cost to the District. Negligent operators could be culled from the program. The District policy would also need to address who pays for turnouts and meters for these projects and any other infrastructure necessary to get water from the District pipeline to the recharge parcel. Regarding the price the District would set for each acre-foot of water recharged, the District could set a price in the detailed policy, or could set the policy terms and then create an auction where landowners bid on what they would need to be paid to conduct a project on their property. Staff is seeking Board input on the concept including ideas to improve it and rates that may be attractive and still within the District's budget.

RECOMMENDATION:

Provide Direction to Staff on Development of Program to Pay Landowners for O&M of FloodMAR Projects.

FISCAL IMPACT: The full impact is difficult to accurately determine because staff cant yet evaluate whether the program will increase participation. However costs could comfortably be absorbed within the Ground Water charge.