

**MADERA IRRIGATION DISTRICT
BOARD OF DIRECTORS
GROUNDWATER SUSTAINABILITY AGENCY
SPECIAL MEETING
DECEMBER 2, 2024**

MINUTES

Directors Present: James Erickson, President
Tim DaSilva
Brian Davis
Carl Janzen, Vice President via Zoom
David Loquaci

Directors Absent: None

Staff Present: T. Greci, General Manager (GM Greci)
D. Cadenazzi Nolan, Assistant General Manager (AGM Nolan)
J. Furstenburg, Controller
C. Contreras, Operations & Maintenance Manager (OMM Contreras)

Others Present: General Counsel John Kinsey, Wanger Jones Helsley via Zoom

CALL TO ORDER / ROLL CALL

President Erickson called the meeting to order at 10:04 a.m. at the business office of the District at 12152 Road 28 ¼, Madera, California 93637. Director Janzen participated via Zoom at the teleconference location of JW Marriott Desert Springs Resort & Spa, 74855 Country Club Drive, Palm Desert, CA 92260.

APPROVAL OF AGENDA

MOTION: Director Davis / Director Loquaci to approve the agenda as presented.

VOTE:

AYES: Directors Loquaci, Janzen, Davis, and Erickson

NOES:

ABSTAIN:

ABSENT:

POTENTIAL CONFLICTS OF INTEREST: Closed Session

General Counsel Kinsey reported there were no potential conflicts of interest for Closed Session.

PUBLIC COMMENT: Closed Session

President Erickson opened and closed public comment due to no public in attendance.

The Board convened to Closed Session at 10:05 a.m.

1. CLOSED SESSION Closed Session items not concluded prior to Regular Session may be continued at the end of the Regular Session.

- 1a. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION – Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9 (2 potential cases)
- 1b. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION – Potential initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code Section 54956.9 (2 potential cases)
- 1c. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION – Pursuant to Paragraph (1) of subdivision (d) of Section 54956.9; Petition for the Adjudication of Rights to the Fresno River, before the State Water Resources Control Board
- 1d. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION – Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9; Madera Irrigation District v. Smith-Adobe Ranch Family Limited Partnership, Case No. MCV081757
- 1e. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION – Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9; NRDC v. Rogers, U.S. District Court, Eastern District of California (Sacramento Division), Case No. 88-CV-1658-JAM-GGH
- 1f. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION – Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9; Madera Irrigation District v. Allstate Insurance Company, Case No. MCV090064
- 1g. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Pursuant to Paragraph (1) of subdivision (b) of Government Code Section 54957
Title: Secretary to the Board / Executive Assistant

CALL TO ORDER REGULAR SESSION / PLEDGE OF ALLEGIANCE

President Erickson called regular session to order at 10:30 a.m. with staff in attendance and the public in attendance.

REPORT ON CLOSED SESSION

There were no reportable actionstaken during Closed Session.

POTENTIAL CONFLICTS OF INTEREST

There was no potential conflict of interests noted.

PUBLIC COMMENT: MID Groundwater Sustainability Agency & Regular Session

President Erickson opened and closed public comment due to no comments from the public in attendance.

ADJOURN AS MID BOARD OF DIRECTORS & CONVENE AS MID GROUNDWATER SUSTAINABILITY AGENCY - 10:33 a.m.

- a. Update on MID Groundwater Sustainability Agency (GSA)

AGM Nolan reported the MID GSA has been moving forward with the projects as listed in the Joint GSP. The District received approximately \$1 million dollars from the Natural Resources Conservation Services (“NRCS”) for pipeline projects. By the beginning of the year, hopefully we will be moving forward with some of the projects. It will be a three year process.

AGM Nolan reported the GSAs in the Madera Subbasin are working on the Domestic Well Memorandum of Understanding and the Coordination Agreement. They have hired facilitator Dave Ceppos to assist with both. There have been initial meetings with Dave Ceppos. The Joint GSP Amendment is out for public review and a public workshop will be held on December 5, 2024 via Zoom.

ADJOURN AS MID GROUNDWATER SUSTAINABILITY AGENCY & RECONVENE AS MID BOARD OF DIRECTORS – 10:35 a.m.

2. CONSENT AGENDA

- 2a. Approval of October 15, 2024 Regular Board Meeting Minutes
- 2b. Approval of November 15, 2024 Special Board Meeting Minutes
- 2c. Discussion / possible action on approval of warrant list payments through November 15, 2024
- 2d. Discussion / possible action on monthly financial reports for September & October 2024

MOTION: Director Loquaci / Director DaSilva to approve the Consent Agenda as presented.

DISCUSSION: There was no discussion.

PUBLIC COMMENT: President Erickson opened public comment and closed public comment due to no comments from the public in attendance.

VOTE:

AYES: Directors Loquaci, Janzen, Davis, DaSilva, and Erickson

NOES:

ABSTAIN:

ABSENT:

3. GENERAL MANAGER'S REPORT

3a. Update of Activities

- Madera-Chowchilla Water & Power Authority
- Mid-Pacific Water Users Conference, January 29-31, 2025

GM Greci reported the ACWA Fall Conference is being held this week with Directors Janzen and Davis attending. GM Greci stated the Mid-Pacific Water Users Conference will be held January 29-31, 2025 in Reno.

GM Greci reported on the Madera-Chowchilla Water & Power Authority. The Power Plant 980 drop shoot was repaired by MID staff. It was a high priority project that had to be completed before the contractor began repairs on the plant. GM Greci reported the 980 Power Plant was taken apart by the contractor for repair and found 9 of the 12 bolts that hold the hub snapped off. The contractor will make repairs at their shop and then put the plant back together.

4. NEW BUSINESS

- 4a. Discussion / possible action on execution of Consulting Services Agreement for external independent auditing services, Resolution No. 2024-21

MOTION: Director Loquaci / Director DaSilva to approve the execution of Consulting Services Agreement with Hudson Henderson, Resolution No. 2024-21.

DISCUSSION: Controller Furstenburg stated a Request for Proposals was released on October 7, 2024 with responses due by November 6, 2024. The District received 2 proposals, and both were rejected. The District has previously worked with Hudson & Company. After rejecting both proposals, the District requested a proposal from Hudson & Company. Controller Furstenburg stated one proposal was rejected because it had an error in the cost proposal and the other proposal was rejected because it was double the price. The Hudson & Company proposal meets the needs of the District and is the most fiscally responsible proposal.

PUBLIC COMMENT: President Erickson opened public comment and closed public comment due to no comments from the public in attendance.

VOTE: ROLL CALL

AYES: Directors Loquaci, Janzen, Davis, DaSilva, and Erickson

NOES:

ABSTAIN:

ABSENT:

4b. Discussion / possible action on adopting the 2025 Budget, Resolution No. 2024-22

MOTION: Director Loquaci / Director DaSilva to adopt the 2025 Budget as presented, Resolution No. 2024-22.

DISCUSSION: Controller Furstenburg stated the 2025 proposed budget totals approximately \$27,686,000 and includes \$10,000,000 in water costs. The operating budget, excluding water costs, totals approximately \$17,686,000. Salaries and benefits comprise 26% or \$7,129,000 of the proposed 2025 budget. The following assumptions were used to budget salaries and benefits for 2025: cost of living based on the Consumer Price Index for Urban Wage Earners and Clerical Workers of 3%, overtime of \$50,000 and merit increases of \$180,000.

Controller Furstenburg noted capital expenditures and capital improvement projects of \$1,628,000 or 6% of budgeted expenditures are included in the District's proposed budget. Of this total, \$1,128,000 is included for capital expenditures and \$500,000 for capital improvement projects.

The following are the assumptions used to budget water costs 100% Class 1 water supply or 85,000 acre-feet and no Class 2 water supply, 24,000 acre-feet for Hidden Dam, the District projects 40,000 acre-feet will be available for delivery, 7,400 acre-feet of Pre-1914 water from Soquel, and 3,943 acre-feet of 2024 Class 1 water rescheduled to 2025. The District budget includes \$1,000,000 for an additional Operations and Maintenance charge from the United States Bureau of Reclamation (USBR).

Controller Furstenburg stated the proposed budget includes \$2,560,000 (9% of budgeted expenditures) for annual debt service for the 2015 Bond. Also, included in the proposed budget is \$1,679,000 (6% of budgeted expenditures) for the annual debt service for the 2016 Bond. AGM Nolan noted there will be a prepayment made for the bonds this year that will be paid from the reserve funds. Director Davis questioned when the bonds will be paid. AGM Nolan replied in 2026 and there are callable bonds in the next 1 ½ years that will be paid from the reserves. The bonds will be paid 14 years early and will cut MID growers' taxes.

Director Loquaci stated instead of spending District money on attorneys, the District is investing in infrastructure and putting in basins to improve the groundwater situation. AGM Nolan noted when the District was spending millions on attorneys' fees the total budget was about \$10 million.

Director Erickson stated the District is spending \$1 million a year to fix infrastructure that should have been done years ago. The District also saves money by having District staff complete the projects. GM Greci stated the District is making its way through the projects in the Capital Improvement Plan, but projects come up as things break.

Controller Furstenburg reviewed the 2025 proposed budget with budget codes. The gates budget was increased by \$20,000 and safety – equipment, apparel, training, testing, and shoes increased by \$10,000 for confined space training and fall protection training. The propane budget was increased by \$8,000 and herbicides and rodenticides budget was decreased by \$100,000. Director Davis questioned why the propane budget has increased so much since 2023 when it was \$1,021. OMM Contreras stated increased costs and the need to burn more.

The building – maintenance, grounds, pest control, landfill, and janitorial budget was increased by \$95,000 for electrical and building upgrades to the Old Engineering building for a warehouse for the storekeeper. The budget for diesel was increased by \$50,000 due to increased work at the basins. The membership fees, licenses, and dues budget code was increased by \$85,000 due to the Friant Water Authority additional costs. The groundwater management budget from 2024 will be carried over and an additional \$50,000 will be included. AGM Nolan stated the funds are being carried over because the Board already approved the amount for the GSP updates and the process is ongoing. The phone, radio, internet, and alarm budget code was decreased by \$30,000. The legal fees budget code was decreased by \$168,000. The consulting expenses budget was increased by \$69,000.

The board meeting and election expenses budget will be rolled over if the invoice is not received in December. At this time, it is not known how much the invoice will be. Controller Furstenburg stated \$500,000 for MCWPA – power plant cost will be budgeted for 2025 with the end of year 2024 remainder being carried over.

OMM Contreras reviewed the requested Capital Expenditures from the O&M department. The following requests were made tractor and mower with attachments, two regular cab trucks for Canal Operators, ag tractor, drag scraper, and heavy duty offset wheel disc. Also, including the Capital Expenditure requests include SCADA software replacements, equipment and vehicle diagnostic service kit. The budget includes \$200,000 for a recharge project. All capital expenditures from 2024 not paid for yet will be rolled over. The 2025 budget includes \$500,000 for pipeline replacements and \$200,000 in carryover; however, NRCS will reimburse a portion of the projects.

Director Janzen stated it would be beneficial to include a breakdown of the \$10 million in water costs. AGM Nolan stated the \$10 million in water cost is a placeholder until the District has an idea of the water year.

The proposed organizational chart was reviewed. The proposed authorized positions are 66 with 7 positions vacant, and 7 positions not funded for 2025. The following positions will be listed as vacant in 2025 and filled Equipment Operator, Mechanic I, 2-Maintenance Worker I, Maintenance Worker II, Canal Operator II, and Canal Operator I.

PUBLIC COMMENT: President Erickson opened public comment and closed public comment due to no comments from the public in attendance.

VOTE: ROLL CALL

AYES: Directors Loquaci, Janzen, Davis, DaSilva, and Erickson

NOES:

ABSTAIN:

ABSENT:

5. DIRECTOR REPORTS, COMMITTEE REPORTS, FUTURE AGENDA ITEMS

Director DaSilva – nothing to report

Director Davis stated the District has come a long way in the 10 years he has been on the Board of Directors.

Director Janzen stated that passing this budget shows how we are moving forward with meeting the goals of the District.

Director Loquaci stated this is Director Erickson's last board meeting. Director Loquaci stated it has been a pleasure serving on the Board with Director Erickson and Director Erickson has always put the District and the growers first. Director Loquaci thanked Director Erickson for his leadership on the Board and at Friant Water Authority.

Director Erickson stated he appreciates the staff and Board over the past 10 years.


6. **ADJOURNMENT**

President Erickson adjourned the meeting at 11:51 a.m.

APPROVED FOR THE BOARD:



David Loquaci
President



Andrea Kwock Sandoval
Secretary to the Board

Date: 1/22/2025



**DECEMBER 2, 2024
RESOLUTION NO. 2024-21**

**RESOLUTION OF THE BOARD OF DIRECTORS,
MADERA IRRIGATION DISTRICT
APPROVING AND AUTHORIZING EXECUTION OF
CONSULTING SERVICES AGREEMENT FOR
OUTSIDE AUDITING SERVICES**

RESOLVED by the Board of Directors (“Directors”) of the Madera Irrigation District (“District”), at a special meeting duly called and held on December 2, 2024 at the business office of the District, 12152 Road 28 1/4, Madera, California 93637 as follows:

WHEREAS, the District issued a request for proposals on October 7, 2024 from qualified certified public accounting firms, licensed to practice in the State of California, to audit and report on the financial position and/or the financial statements of the District and the Madera Irrigation District 401(a) Retirement Plan financial statements for each fiscal year of the contract period (the “Work”); and

WHEREAS, the Work will be awarded to the qualified certified public accounting firm with the most responsive and reasonable proposal, which is within the competitive range and determined to be the most advantageous to the District based on specified evaluation criteria; and


WHEREAS, after review and due consideration of the responsive proposals, the District rejected all responsive proposals received; and

WHEREAS, the District has previously worked with Hudson & Company Inc. and after rejecting all bids obtained a bid from Hudson & Company Inc., which the District has determined is the most advantageous to the District and the most fiscally responsible; and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Madera Irrigation District, that the facts contained in the recitals above are true and correct and that , General Manager Thomas Greci is authorized to award and execute a consulting services agreement with Hudson & Company, Inc. for the Work.

THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED by the Madera Irrigation District Board of Directors, at a special meeting of the Board held on the 2nd day of December 2024 by the following vote:

AYES: Director Loquaci, Janzen, Davis, DaSilva, and Erickson
NOES: None
ABSENT: None
ABSTAIN: None



James Erickson, President

ATTEST: Carl Janzen
Carl Janzen, Vice President

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Madera Irrigation District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2024-21 adopted December 2, 2024.

Andrea Kwock Sandoval
Andrea Kwock Sandoval, Secretary



DECEMBER 2, 2024
RESOLUTION NO. 2024-22

**RESOLUTION OF THE BOARD OF DIRECTORS,
MADERA IRRIGATION DISTRICT
ADOPTING THE 2025 MADERA IRRIGATION DISTRICT BUDGET**

RESOLVED by the Board of Directors (“Directors”) of the Madera Irrigation District (“District”), at a special meeting duly called and held on December 2, 2024 at the business office of the District, 12152 Road 28 1/4, Madera, California 93637 as follows:

WHEREAS, the Directors have reviewed and considered the proposed 2025 Madera Irrigation District Budget (the “2025 Budget”) at the Board Meeting of December 2, 2024; and

WHEREAS, although the Directors have considered the 2025 Budget for approval, the Directors understand and acknowledge that the 2025 Budget may need to be reviewed and modified at a future date once the District receives additional information on the water year and the District’s water supplies as determined by the U.S. Bureau of Reclamation and other factors presently unknown to the District.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Madera Irrigation District, that the facts contained in the recitals above are true and correct and that the Board of Directors of the Madera Irrigation District does hereby adopt the 2025 Madera Irrigation District Budget as presented on December 2, 2024.

THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED by the Madera Irrigation District Board of Directors, at a special meeting of the Board held on the 2nd day of December 2024 by the following vote:

- AYES: Director Loquaci, Janzen, Davis, DaSilva, and Erickson
- NOES: None
- ABSENT: None
- ABSTAIN: None



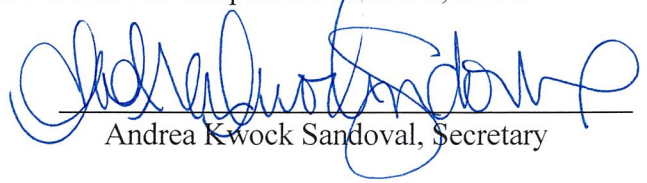
James Erickson, President

ATTEST: 

Carl Janzen, Vice President

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Madera Irrigation District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2024-22 adopted December 2, 2024.



Andrea Kwock Sandoval, Secretary

