

BOARD OF DIRECTORS

Mike Vereschagin, President
Ernest Pieper, Vice President
James A. Jones
John Erickson
Charles Schonauer

SECRETARY-MANAGER

Emil Cavagnolo

ORLAND-ARTOIS WATER DISTRICT

(A UNIT OF THE SACRAMENTO VALLEY CANALS)
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**MEETING
OF THE
BOARD OF DIRECTORS**

MINUTES

DECEMBER 15, 2020

Pursuant to Governor Newsom’s Executive Orders N-29-20 this meeting was conducted by teleconference. The meeting was accessible via telephone, computer, smartphone, or tablet.

DIRECTOR MEMBERS PRESENT

- Mike Vereschagin
- Ernie Pieper
- John Erickson
- Jim Jones
- Chuck Schonauer

OTHERS IN ATTENDANCE

- Emil Cavagnolo, Manager
- Andrea Jones, Administrative Assistant
- Karen Osborn, Office Secretary
- Marty Bailey, Assessor/Treasurer/Tax Collector
- Brant Smith, Backstrom McCarley Berry & Co. LLC
- Chase Hurley, Water and Land Solutions

CALL TO ORDER

President of the Board Mike Vereschagin called the meeting to order at 1:32p.m.

ROLL CALL

Roll was taken and is indicated above.

PUBLIC HEARING AT 1:30 P.M. THE BOARD TO CONSIDER RESOLUTION 2020-15 DETERMINING GROSS ASSESSED VALUE AND FIXING AND ORDERING ASSESSMENT.

The public hearing was opened at 1:33p.m. No members of the public were present. The public hearing was closed. It was m/s/c (Jones/Pieper) to approve Resolution 2020-15 setting the benefit assessment at \$21.75 per \$100 of assessed value. The vote was as follows:

Roll Call Vote

Mike Vereschagin: AYE
Ernie Pieper: AYE
John Erickson: AYE
Jim Jones: AYE
Chuck Schonauer: ABSENT

MINUTES APPROVAL:

The minutes of the November 17th Board meeting were reviewed. After Board discussion, it was m/s/c (Pieper/ Erickson) to approve the November 17th Board meeting minutes by the following vote:

Roll Call Vote

Mike Vereschagin: AYE
Ernie Pieper: AYE
John Erickson: AYE
Jim Jones: ABSTAIN
Chuck Schonauer: ABSENT

PUBLIC FORUM:

No comments from the public.

FINANCIAL TRANSACTIONS AND APPROVAL OF CHECKS:

The Directors reviewed the financial transaction summary for November and the check register. Manager Cavagnolo answered any questions the Board had regarding the financials and the check register. After Board discussion, it was m/s/c (Jones/Pieper) to approve the November Financial Report and checks #12699 thru 12743 by the following vote:

Roll Call Vote

Mike Vereschagin: AYE
Ernie Pieper: AYE
John Erickson: AYE
Jim Jones: AYE
Chuck Schonauer: ABSENT

WATER SUPERINTENDENT'S REPORT:

Manager Cavagnolo reviewed with the Board the Water Superintendent's report, which was included in the Board Packet. The report updated the Board on District Operations, Water Use, Deep Wells, Vehicles, and Water Quality.

MANAGER'S REPORT

A. Manager Cavagnolo reviewed with the Board his Manager's Report, which was included in the Board packet, and answered any questions the Board had.

GENERAL BUSINESS

A. The Board to receive an update on Tehama-Colusa Canal Authority Activities.

Director Jones updated the Board on the Tehama-Colusa Canal Authority activities and the meeting he participated in on 12/02/2020. Director Jones advised the Board the T-C is hoping to shut down the canal at some point in order to do repairs on the canal.

B. The Board to receive an update on the Glenn Groundwater Authority.

Administrative Assistant Andrea Jones updated the Board on the Glenn Groundwater Authority activities and the meetings she participated in on 12/09/2020 and 12/10/2020.

Manager Cavagnolo updated the Board on the GGA/CGA TAC meeting he participated in on 12/11/2020.

C. The Board to receive for CVP Construction Loan Conversion.

Brant Smith, Senior Vice President of Backstrom McCarley Berry & Co. LLC, updated the Board on the CVP Construction Loan Conversion and reviewed with the Board the WIIN Act Financing Post Pricing Book he had prepared for Orland-Artois Water District. Brant thanked the Board for letting Backstrom McCarley Berry & Co. LLC serve the District in the loan conversion process. The Board thanked Brant for all of his hard work and for reaching out to so many banks which allowed the District to obtain the low interest rate of 1.89% for both 15-year loans with BBVA Bank. Manager Cavagnolo advised the Board Angela Munson has requested the Bureau of Reclamation send the District a letter confirming the District 1) has paid off both loans and are no longer under RRA, and 2) the District's Water Service Contract for 53,000 AF of water is now a permanent contract avoiding any future negotiations.

D. The Board to receive an update on current and future annexations.

Manager Cavagnolo updated the Board on current and future annexations. Manager Cavagnolo advised the Board Tuscan Land is now annexed into the District. We are waiting on the Environmental Document for the Worthington Trust Annexation to be completed. Manager Cavagnolo advised the Board it should be completed in the next two or three weeks.

Chase Hurley, of the Orland A Farmers Group, updated the Board on a future improvement district and annexations and answered questions. Chase advised the Board there is 8,000 + acres to be annex into the District. Chase stated on Friday they signed an agreement with Provost & Pritchard. They are moving forward with LAFCO and the Bureau of Reclamation on the environmental process. Chase advised the Board the District needs to send a letter to the Bureau requesting to annex the acres into the District. After Board discussion, it was m/s/c (Jones/Erickson) to approve sending a letter to the Bureau of Reclamation requesting to annex the improvement district acres into the District. The vote was as follows:

Roll Call Vote

Mike Vereschagin: AYE
Ernie Pieper: AYE
John Erickson: AYE
Jim Jones: AYE
Chuck Schonauer: ABSENT

Chase advised the Board he will stay in contact with Emil during this process. Emil will send a map to the directors showing the acres to be annexed.

E. The Board to consider Resolution 2020-16, Resolution ordering District Assessor to add unpaid charges to Assessments.

After Board discussion, it was m/s/c (Jones/Erickson) to approve Resolution 2020-16, ordering the District Assessor to add unpaid charges for Water and Operations Charge to the Assessment Book. The vote was as follows:

Roll Call Vote

Mike Vereschagin: AYE
Ernie Pieper: AYE
John Erickson: AYE
Jim Jones: AYE
Chuck Schonauer: ABSENT

F. The Board to consider proposed 2021 O&M budget.

Manager Cavagnolo reviewed the 2021 O&M budget he had prepared which included the changes the Board had requested. Director Jones advised the Board he did not agree with the salary increases for the employees. In the best interest of the landowners, he felt they should not be raised as significantly due to the uncertainty of the agricultural economic future.

After Board discussion, it was m/s/c (Erickson/Pieper) to approve the 2021 O&M budget with the approved changes. The new charges for 2021 are 1) Distribution System Assessment \$21.75 per acre per-year, 2) CVP Construction Charge \$23 per acre, and 3) Operations Charge \$40.74 per acre.

Roll Call Vote

Mike Vereschagin: AYE
Ernie Pieper: AYE
John Erickson: AYE
Jim Jones: NO
Chuck Schonauer: ABSENT

G. The Board to discuss drought year planning for the 2021 water year.

Manager Cavagnolo Manager discussed drought year planning for the 2021 water year with the Board. Manager Cavagnolo reviewed with the Board the multi-year water transfers, the TC Transfer Documents, and the Warren Act Water.

Manager Cavagnolo advised the Board he has talked to Lance Boyd, Princeton-Codora-Glenn Irrigation District, regarding entering into another 5-year water transfer if they offer us the same deal with the same terms. Manager Cavagnolo advised the Board Lance will talk to his Board and get back to him.

Being there was no further business, President Vereschagin adjourned the meeting at 3:04p.m.

Respectfully Submitted,



Emil Cavagnolo
Manager

Approved at the January 19th Board of Directors Meeting