

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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**SPECIAL MEETING
OF THE
BOARD OF DIRECTORS
OF THE
ORLAND-ARTOIS WATER DISTRICT
WEDNESDAY NOVEMBER 8TH, 2023
MINUTES**

CALL TO ORDER

President of the Board Mike Vereschagin called the meeting to order at 1:30 PM.

Roll Call and Determination of a Quorum.

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

OTHERS IN ATTENDANCE

- Emil Cavagnolo, Manager.
- Karen Osborn, Office Secretary.
- Josh Horowitz, District Counsel.
- Chase Hurley, Water & Land Solutions.
- Jenny Scheer, Water & Land Solutions.
- Marty Bailey, Assessor/Treasurer/Tax Collector.
- Larry Reimers, Landowner.
- Lorraine Reimers, Landowner.
- Julia Violich, Capay Farms & Violich Farms.
- Adi Marwah, Farmers International.
- Darin Titus, Hart Farms.
- Matt Rolen, Farmers International.
- Daryl Barsoom, Woolf Farming.
- John Cambell, Benchmark Farming
- Brian Erickson, Erickson Orchards & Director Elect.
- Jason Kilmer, Kilmer Brothers & Reimann Properties.
- Mike Perry, Lassen Land Company.

Roll call was as above and a quorum was determined.

PUBLIC FORUM:

There was no Public Comment.

1. **The Board to receive review the following items related to the Orland “A” Farmers group annexation.**

a. **Annexation and Class II Water Supply Agreement.**

The Directors reviewed the draft OAWD Annexation and Class II Water Supply Agreement. After Board discussion it was m/s/c (Jones/Erickson) to approve OAWD Annexation and Class II Water Supply Agreement to be used for the Orland A Farmers Group Annexation by the following roll call vote:

AYES: M. Vereschagin, J. Erickson, E. Pieper, C. Schonauer, J. Jones.

NOES: None

ABSTAIN: None

ABSENT: None

b. **Orland-Artois Water District Central Valley Project Annual Assessment.**

The Central Valley Project Annual Assessment refers to the OAWD CVP Construction Charge. The Directors reviewed and discussed CVP Construction Charge and how it would apply to the Orland A Farmers Group Annexation. The consensus of the Board was that newly annexed lands would be charged \$23.00 per-acre for 15 years ending in 2035. A total of \$345.00 per acre. The charge will be assessed at the time the land is able to receive District water and spread evenly to 2035. If land can receive District water after USBR approval using existing infrastructure is available, the CVP Construction Charge will be assessed at that time. If land requires connections to the existing infrastructure or improvements and construction of new infrastructure, the land will be assessed when construction is complete. If the Board decides to pay off the loan early, the payment total will be reduced for all Class 1 and Class 2 landowners and the Class 2 landowners will pay the same total payments as the Class 1 landowners.

c. **Orland-Artois Water District Distribution System Annual Assessment.**

The Directors reviewed and discussed the Distribution System Annual Assessment and how it would apply to the Orland A Farmers Group Annexation. The consensus of the Board was that newly annexed lands using or connected to existing infrastructure would be charged \$21.76 per-acre for 15 years ending in 2035. A total of \$325.40 per acre. The charge will be assessed at the time the land is able to receive District water and spread evenly to 2035. If land can receive District water after USBR approval using existing infrastructure is available, the Distribution System Annual Assessment will be assessed at that time. If land requires connections to the existing infrastructure or improvements and construction of new

infrastructure, the land will be assessed when construction is complete. If the Board decides to pay off the loan early, the payment total will be reduced for all Class 1 and Class 2 landowners and the Class 2 landowners will pay the same total payments as the Class 1 landowners.

d. Orland-Artois Water District Operations & Maintenance Fee.

The Operations & Maintenance Fee refers to the OAWD Operations Charge. This is a land charge which is levied by the district to pay for District Budgeted Overhead, the TCCA annual Assessment, and the California Water Rights Fee. The Directors reviewed and discussed Operations Charge and how it would apply to the Orland A Farmers Group Annexation. The consensus of the Board was that newly annexed lands would be charged the annual rate for the Operations Charge after USBR approval of the annexation.

e. Orland-Artois Water District Annexation Connection Fee.

The Orland-Artois Water District Annexation Connection Fee was based on a fee survey that looked at assessments paid by OAWD landowners to pay for the District Distribution System through 2019. Annexed lands using or connecting to existing District infrastructure will be assessed \$400.00 per acre in a lump sum or \$450.00 per acre if paid over 10-years. The Directors reviewed the connection fee and discussed when the fee should be assessed. The consensus of the Board was to assess the Connection Fee after USBR approval of the annexation and when the land can receive District water.

f. Orland-Artois Water District Cost sharing for Booster Pumps.

The Directors discussed Orland-Artois Water District cost sharing for booster pumps. The booster pumps will be added to the existing infrastructure to increase capacity of existing pipelines to allow water deliveries to annexed land. The booster pumps will be paid for by the annexing landowner in the area and will be available 24/7 but the annexed land will use them about 70% of the time. This will leave additional capacity for use by original landowners and reduce irrigation scheduling. Chase Hurley, of Water & Land Solutions, suggested the landowners in the area of the booster pumps, who will be paying for them, receive a \$100.00 per acre discount on the Annexation Connection Fee on those lands. After Board discussion, the consensus of the Board was that this was fair for all parties.

g. Facilities and Operations Plan.

Jenny Scheer presented a sample Facilities and Operations Plan which will be attached to each Annexation Agreement. After some discussion, the consensus of the Board was that the sample Facilities and Operations Plan was adequate.

h. Fees for land that will not be served water.

There is a small amount of acreage being annexed that will not be served water at this time. The Directors discussed what fees or charges will be assessed on annexed land.

The consensus of the board was that these lands will be charged the OAWD Operations Charge after USBR approval of the annexation. At the time these lands are able to receive District water, they will be assessed all applicable assessments, fees and charges as explained in preceding paragraphs.

i. CEQA Documentation.

CEQA Documentation is out for public review. There will be a public hearing at the November Board meeting at which time the Board will consider adopting the CEQA Mitigated Negative Declaration.

j. LAFCO Application and Timeline.

The updated Municipal Service Review and Sphere of Influence reports are about done. The Board will consider submitting a LAFCO Application for the OAFG annexation at the November 21st Board meeting.

2. The Board to discuss General Manager Search.

The Directors reviewed several applications for the GM position. After discussion, the Directors chose four applications for which the General Manager was directed to check references. The Directors plan to review the four applications and references at the November 21st Board meeting and decide on who will be interviewed. The Board will interview selected GM Candidates as a “committee of the whole” and the Board President appointed Treasure Marty Bailey, incoming Directors Brian Erickson and Steve Carlos to participate in the process.

3. Adjournment.

Being there was no further district business, Board President Vereschagin adjourned the meeting at 3:15 PM.

Respectfully Submitted,



Emil Cavagnolo
Manager

**APPROVED BY THE OAWD BOARD OF DIRECTORS AT THE NOVEMBER 21, 2023
MEETING OF THE BOARD**