

**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**

**OCTOBER 20, 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**

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

**OTHERS IN ATTENDANCE**

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

**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.

**MINUTES APPROVAL:**

The minutes of the September 15<sup>th</sup> Board meeting were reviewed. Under Agenda Item E it was pointed out a correction was needed. On the process of initiating the validation action

#4 should read as follows: 4) wait **30 days** to see if anyone responds by filing an answer on or before the date identified in the summons.

After Board discussion, it was m/s/c (Jones/Pieper) to approve the September 15<sup>th</sup> Board meeting minutes with the above correction by the following vote:

**Roll Call Vote**

Mike Vereschagin: AYE

Ernie Pieper: AYE

John Erickson: NO RESPONSE

Jim Jones: AYE

Chuck Schonauer: AYE

**PUBLIC FORUM:**

There were no comments from the public.

**FINANCIAL TRANSACTIONS AND APPROVAL OF CHECKS:**

The Directors reviewed the financial transaction summary for September and the check register. Manager Cavagnolo answered any questions the Board had regarding the financials and check register. After Board discussion, it was m/s/c (Schonauer/Jones) to approve the September Financial Report and checks #12599 thru #12650 by the following vote:

**Roll Call Vote**

Mike Vereschagin: AYE

Ernie Pieper: AYE

John Erickson: NO RESPONSE

Jim Jones: AYE

Chuck Schonauer: AYE

**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.

**CLOSED SESSION [To occur on a Confidential Conference Call Line provided to the OAWD Board of Directors and appropriately identified staff].**

The Board went into closed session at 1:45p.m.

**OPEN SESSION REPORTING:**

President of the Board Mike Vereschagin reconvened the Board to Open Session at 2:00p.m.

and reported that the Board approved the Common Interest Agreement By and Between Parties Interested in Litigation Regarding CVP Amendments.

## **GENERAL BUSINESS**

### **A. The Board to receive an update for CVP Construction Loan Conversion.**

Brant Smith updated the Board on the CVP Loan Conversion. Brant advised the Board 22 different lenders have been contacted and he estimates 6 or 7 lenders will respond. After Board discussion, the Board set a special Board meeting for Friday October 30, 2020 at 3:00p.m. to choose a lender to finance amounts owed to the United States of America, Bureau of Reclamation for the District's 9(E) Contract and 9(D) Contract.

Manager Cavagnolo reviewed with the Board the OAWD Staff Report for the "Adoption of a Debt Management Policy" that was included in the Board packet. After Board discussion, it was m/s/c (Pieper/Jones) to approve Resolution 2020-10, adopting a Debt Management Policy by the following vote:

#### **Roll Call Vote**

Mike Vereschagin: AYE

Ernie Pieper: AYE

John Erickson: AYE

Jim Jones: AYE

Chuck Schonauer: AYE

Manager Cavagnolo reviewed with the Board Resolution 2020-11, which was included in the Board packets. After Board discussion, it was m/s/c (Schonauer/Jones) to adopt Resolution 2020-11 authorizing the execution and delivery of Installment Purchase Agreements in the maximum principal amounts of \$7,500,000 and \$7,250,000 to finance amounts owed to the United States of America, Bureau of Reclamation, with respect to the District's 9(E) Contract and 9(D) Contract, respectively, and approving related documents and actions by the following vote:

#### **Roll Call Vote**

Mike Vereschagin: AYE

Ernie Pieper: AYE

John Erickson: AYE

Jim Jones: AYE

Chuck Schonauer: AYE

### **B. The Board to receive an update on the Tehama-Colusa Canal Authority Activities**

Director Jones updated the Board on the Tehama-Colusa Canal Authority activities and the meeting he participated in on 10/07/2020.

### **C. The Board to receive an update on the Glenn Groundwater Authority.**

Director Schonauer updated the Board on the Glenn Groundwater Authority activities and meeting he participated in on 10/12/2020.

Manager Cavagnolo updated the Board on the GGA/CCA TAC meeting he participated in on October 16, 2020.

**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 the Worthington Trust Annexation is almost done. We are still waiting on the Tuscan Land Annexation. Hopefully by the end of November it will be done.

Chase Hurley, Water and Land Solutions, updated the Board on the progress of the future improvement district and annexations. Chase advised the Board the group has decided to move forward. They are working with LAFCO now. They are also working with Davids Engineering and Provost & Pritchard. Chase advised the Board he is working closely with Emil to keep him informed. Chase informed the Board there could be up to 8,900 acres interested in annexing into the District.

**E. The Board to consider Resolution 2020-12, Resolution commencing alternative Assessment procedure for Fiscal Year 2021.**

Manager Cavagnolo reviewed with the Board Resolution 2020-12 which was included in the Board packets. After Board discussion, it was m/s/c (Schonauer/Jones) to adopt Resolution 2020-12, commencing alternative Assessment procedure for Fiscal Year 2021 by the following vote:

**Roll Call Vote**

Mike Vereschagin: AYE

Ernie Pieper: AYE

John Erickson: AYE

Jim Jones: AYE

Chuck Schonauer: AYE

**F. The Board to discuss 2021 O&M budget and provide General Manager with direction.**

Manager Cavagnolo reviewed with the Board the 2021 O&M budget he had prepared and answered any questions the Board had and asked the Board for direction. After Board discussion, President Vereschagin asked the directors to contact Manager Cavagnolo with any questions or concerns they have regarding the proposed 2021 O&M budget prior to the next Board meeting. No action was taken.

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

Manager Cavagnolo discussed with the Board drought year planning for the 2021 water year. Manager Cavagnolo reviewed with the Board the water transfers the District has with Jack Baber, MID, and Princeton Codora Glenn.

Manager Cavagnolo reviewed with the Board the sample of the Memorandum of Agreement Between the Tehama-Colusa Canal Authority and water districts regarding cost sharing of environmental review of a 2020 TCCA Transfer Program for entering into a

forbearance water transfer agreement. After Board discussion, it was m/s/c (Schonauer / Erickson) to approve the district entering into a forbearance water transfer agreement with the TCCA for 5,000 acre-feet of water.

**Roll Call Vote**

Mike Vereschagin: AYE

Ernie Pieper: AYE

John Erickson: AYE

Jim Jones: AYE

Chuck Schonauer: AYE

**H. The Board to consider replacement of the office telephone system.**

Manager Cavagnolo advised the Board the District's phone system is older and is beginning to show some issues with the hardware. The system was last updated in 2004. The market has newer features like headset capability, etc. The District received quotes from Christensen Telecommunications Inc., Gaynor Telesystems, and Telcom Data LLC. Manager Cavagnolo included in the Board packet a summary of the phone estimates. Manager Cavagnolo stated Christensen Telecommunications was highly recommended especially for their quick response time and they had the lowest price. After Board discussion, the Board gave Manager Cavagnolo direction to go ahead and go with Christensen Telecommunications. No motion was needed.

**I. The Board to discuss interest in the Golden State Risk Management Authority (GSRMA) Director seat.**

Manager Cavagnolo reviewed with the Board the letter he included in the Board packet from Golden State Risk Management Authority regarding a vacancy on the GSRMA Board of Directors. Manager Cavagnolo asked the Board if any of the Directors were interested in filling the vacancy. There was no interest from the Board.

Being there was no further business, President Vereschagin adjourned the meeting at 3:32p.m.

Respectfully Submitted,



Emil Cavagnolo  
Manager

APPROVED AT THE NOVEMBER 17, 2020 BOARD MEETING