

Minutes of the Special Meeting of the Board of Directors of the Kings River Watershed Coalition Authority (Kings River Coalition) held April 15, 2014. The meeting was held at the offices of the Kings River Conservation District (KRCDD) located at 4886 E. Jensen Avenue, Fresno, CA 93725.

### **CALL TO ORDER**

President Mark McKean called the meeting to order at 11:30 a.m.

### **DIRECTORS / ALTERNATES PRESENT (22 of 27 members)**

ALTA IRRIGATION DISTRICT - Director Norman Waldner/ Alt. Chris Kapheim  
 CORCORAN IRRIGATION CO. - Director Walter Bricker  
 CONSOLIDATED IRRIGATION DISTRICT, Proxy Larry Cruff  
 CRESENT CANAL COMPANY - Director Mark McKean  
 EMPIRE WEST SIDE IRRIGATION DISTRICT-Director John Howe  
 FRESNO IRRIGATION DISTRICT – Proxy Ryan Jacobsen  
 JOHN HEINLEN MUTUAL WATER COMPANY - Alternate Ronnie Silva  
 KINGS RIVER CONSERVATION DISTRICT - Director Mark McKean/Alternate David Orth  
 KINGS RIVER WATER DISTRICT - Director Jack Paxton  
 LAGUNA IRRIGATION DISTRICT – Director Frank Zonneveld  
 LAST CHANCE WATER DITCH CO. - Director Walter Bricker  
 LEMOORE CANAL AND IRRIGATION CO. - Alternate Ronnie Silva  
 LIBERTY CANAL CO. - Alternate Mike Nordstrom  
 LOVELACE WATER CORP. - Director Walter Bricker  
 PEOPLES DITCH CO. - Director Walter Bricker  
 REED DITCH CO. - Director Mark McKean  
 RIVERDALE IRRIGATION DISTRICT - Director Leonard Acquistapace, Alt Mike Nordstrom  
 SOUTHEAST LAKE WATER CO. - Director Walter Bricker  
 TULARE LAKE BASIN WATER STORAGE DIST - Director Walter Bricker  
 TULARE LAKE CANAL CO. - Director Walter Bricker  
 TULARE LAKE RECLAMATION DIST #761 - John Howe  
 UPPER SAN JOSE WATER CO. - Director Mike Nordstrom

### **OTHERS PRESENT**

Eric Athorp, KRCDD	Randy McFarland, KRWA Consultant
Steve Haugen, KRWA	Donna Pepper, KRCDD
Cristel Tufenkjian, KRCDD	Gary Sawyers, Legal Counsel
David Cehrs	Randy Shilling, KRCDD
Casey Creamer, KRCDD	Jose Soto, KRCDD
David Holland, Bolen, Fransen, Sawyers	Doug Jensen, Baker, Manock & Jensen
Tom Hurlbutt, J.G. Boswell	Lauren Layne, Baker, Manock & Jensen
Kevin Johansen, Provost & Prichard	Dennis Mills, Kings County Water District
Brian Trevarrow, KRCDD	Andrew Hermans, Lakeside Irrigation Water District
Matt Hurley, Angiola Water District	Bill Stretch, Fresno Irrigation District
Gene Kilgore, Corcoran Irrigation District	Jim Provost, KRWA Consultant
Martin Birtz	JJ Westra, TLBWSDD
David Kahn	

**ADDITION TO OR DELETION FROM THE AGENDA:** None**PUBLIC PRESENTATIONS:** None**REPORTS**

Irrigated Lands Regulatory Program (ILRP): Mr. Orth introduced Casey Creamer, Programs and Regulatory Analyst, for the Kings River Conservation District. Mr. Creamer will serve as Coordinator of the Kings River Coalition.

David Orth reported growers/landowners within the Kings River service area have a deadline of May 19, 2014 to join the Coalition to be compliant under the Tulare Lake Basin General Order. If not enrolled after the deadline, landowners will be required to work directly with the Regional Board Water Quality Control Board (Regional Board). Mr. Orth also reported the Regional Board will send out letters by the end of April notifying landowners of the deadline.

Mr. Orth reported growers/landowners will be required to file reports annually, including farm and nutrient management practices. The Farm Evaluation templates for data reporting are being developed and are close to final form. Mr. Creamer will coordinate the template process with the Landowner Advisory Group (Advisory Group) that he will also oversee. Mr. Orth further reported at the last meeting recommendations were made to form an Advisory Group. The Advisory Group would be composed of approximately 16 members that the Coalition Board would select from irrigation districts and commodity groups within the Coalition boundaries. Mr. Creamer will send a notice requesting members to submit names for the Advisory Group.

Cristel Tufenkjian provided an overview of the ILRP reporting the Kings River Coalition has approximately 142,000 additional acres enrolled in the program which is approximately 36% of the 400,000 acre target enrollment.

Ms. Tufenkjian also presented an overview of the outreach events that were held in March, and future workshops to inform landowners/growers of their responsibilities under the new ILRP Regional Board regulations and to enroll acres if requested.

Ms. Tufenkjian also answered a question regarding fallow land. Ms. Tufenkjian reported landowners should pay the \$26 membership fee and list the acres to be fallowed as zero acres and not pay the acreage fee.

**APPROVAL OF THE MINUTES**

It was moved by Director Cruff, and seconded by Director Jacobsen, and unanimously approved, the meeting Minutes from the February 14, 2014 Special meeting of the Kings River Watershed Coalition Authority as presented.

**(VOTE: YES-** ALTA IRRIGATION DISTRICT - Director Norman Waldner/ Alt. Chris Kapheim

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**VOTE: NO- None)**

## **FINANCIAL REPORTS**

### **Monitoring Cost on the Kings River**

Randy Shilling, Assistant Treasurer, presented an overview of the monitoring costs on the Kings River reporting the Kings River Conservation District (KRCD) has supported water quality monitoring on the Kings River since 1978. For many years KRCD paid for monitoring costs without reimbursement from any other agency or landowners.

In 2007 KRCD and Kings River Water Association (KRWA) agreed to share in the costs of water quality monitoring, including lab fees, supplies and other non-payroll costs, up to a maximum amount of \$60,000 per year on a 50/50 basis (each entity paid up to \$30,000 per year for such costs). KRCD has provided the staff to support the monitoring activities.

The Kings River Coalition was formed effective January 1, 2009 and serves as the third party coalition representing the Kings River area for the ILRP and the recently adopted General Order. The costs of the ILRP are paid by the landowners that have signed up for representation by the Kings River Coalition, except that the first \$60,000 in monitoring costs each year are reimbursed by or paid by KRCD and KRWA in accordance with the 2007 arrangement.

The water quality monitoring and testing performed by KRCD is for the benefit of the Kings River Coalition to assist it in complying with the ILRP Tulare Lake Basin General Order.

Mr. Shilling further reported staff proposes that KRCD and KRWA should no longer contribute \$30,000 each to the monitoring costs annually and that the landowner members in the ILRP program should pay the costs associated with the water quality monitoring. KRCD and KRWA are both in their budget preparation and approval process currently and would both like to eliminate the \$30,000 contribution.

After some discussion it was agreed upon by all in attendance that KRCD and KRWA should no longer be requested to contribute \$30,000 each to the monitoring costs annually and that the landowners in the ILRP program should contribute to the costs associated with the water quality monitoring.

## **Financial Report**

Mr. Shilling presented an expenditure-to-budget comparison report and a report on the bills paid for the period ending March 31, 2014.

It was moved by Director Bricker and seconded by Director Nordstrom, to accept the financial report as presented.

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 UPPER SAN JOSE WATER CO. - Director Mike Nordstrom  
**VOTE: NO-** None)

## **EVALUATION OF THE COST SHARE PROPOSAL FROM KAWEAH PARTIES**

Mr. Orth reported the Southern San Joaquin Valley Water Quality Coalition (South Valley Coalition) recently amended its Memorandum of Understanding (MOU) to remove ILRP implementation from South Valley Coalition responsibilities and refocus on broader water quality issues common to its members. KRCD and KRWA are signatories to that MOU. The South Valley Coalition issued a Request for Proposals (RFP) for representation on water quality issues. After the South Valley Coalition received the requested proposals, the Steering Committee asked Bill Thomas, Best, Best & Krieger and Jack Gualco, The Gualco Group, to submit a revised joint proposal for representation.

Mr. Orth further reported the Kaweah sub basin parties presented the proposals to their respective boards and they were not in agreement with the increased representation costs considering the current equal cost share structure within the South Valley Coalition. The Kaweah boards agreed to only fund the consultant costs on a one-third share split between Kaweah and the Tule sub basin's. This proposal would increase the share by both the Kings and Kern from a 25% share to a 33% share each for the representation expenses.

The Tule Basin proposed that costs should be allocated on an acreage basis. This proposal would shift Kings River cost share from 25% to 41% of the total budget.

Mr. Orth also reported each of the Kaweah parties' proposals, if accepted, would add increased costs for the Kings River participation in the South Valley Coalition. The additional costs to the Kings sub basin assuming representation costs of \$14,000 per month for the Kaweah one-third and Tule acreage based proposal were summarized:

	Proposed	Current 2014/15	Difference
(33%)	\$55,440	\$42,000	\$13,440
Acreage Based (41%)	\$68,880	\$42,000	\$26,880

Mr. Orth reported that on April 15, 2014 the KRWA Board took action to remove the cost share funds from their 2014-15 budget.

After some discussion, the Kings River Coalition concluded their interests are best and most cost effectively served independent of the South Valley Coalition and in the future, may cost share arrangements in specific situations, including but not limited to CV-SALTS participation, which should continue to be 25% or equal share in the cost.

It was moved by Director Kaphiem and seconded by Director J. Howe, and unanimously approved, that the Kings River Watershed Coalition Authority withdraw its participation in the Southern San Joaquin Valley Water Quality Coalition, and in the future may explore particular points of agreement and enter into cost share arrangements in specific situations, and when mutually agreed by all parties, including but not limited to CV-SALTS participation, which should continue to be 25% or equal share in the cost.

**(VOTE: YES-** ALTA IRRIGATION DISTRICT - Director Norman Waldner/ Alt Chris Kapheim  
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**VOTE: NO-** None)

## **SUREHARVEST PATENT LICENSE AGREEMENT**

David Orth presented an overview of the SureHarvest Patent License Agreement reporting, Sureharvest, a technology company focused on documenting, measuring and certifying the environmental sustainability of agricultural products, sent a response to an East San Joaquin Water Quality Coalitions (ESJWQC) Request for Proposals (RFP) for an electronic database system to compile and compare data from the reporting of Nitrogen Management Plans and Farm Evaluations, and indicated that they held a patent that ESJWQC would infringe upon if they used a vendor besides SureHarvest.

Mr. Orth further reported a group of coalition and agricultural interests discussed the patent with SureHarvest resulting in a licensing agreement for \$1. This protects SureHarvest's perceived patent rights while still allowing the coalition groups to conduct the work necessary for ILRP compliance with any contractor they choose.

The ESJWQC attorneys led an effort to negotiate a draft license agreement and created a draft agreement suitable for their approval. The Kings River Coalition serving as Third-Party Representing Members in the Kings River Watershed under Order R5-2013-0120 must decide to either sign the agreement, continue to negotiate more favorable terms, or go about complying with the order and risk potential litigation from SureHarvest.

After some discussion, Mr. Orth was directed by the Board to begin conferring with legal counsel to develop language for a final agreement and at a future meeting present a Final License Agreement before this Board for review and approval.

## **ADJOURNMENT**

There being no further business, President McKean adjourned the meeting at 12:15 P.M.

Respectfully Submitted,

David Orth  
Secretary/Treasurer

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Approved