

MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
SEMITROPIC, BUTTONWILLOW, POND-POSO AND
WILDLIFE IMPROVEMENT DISTRICTS OF
SEMITROPIC WATER STORAGE DISTRICT

Convened at 8:00 a.m. on Friday
June 23, 2017

The Special Meeting of the Board of Directors was called to order by President Wegis on Friday, June 23, 2017, at 8:00 a.m. at the offices of the District, 1101 Central Avenue, Wasco, CA 93280.

Directors Present: Jeff Fabbri, Phil Portwood, Tim Thomson, Tom Toretta, Todd Tracy, Dan Waterhouse and Fredrick A. Wegis;

Directors Absent: None;

Others Present: General Manager, Jason Gianquinto;
District Controller, Bobby Salinas;
District Engineer, Isela Medina;
Staff Engineer, Craig Wallace;
District Contract Administrator, Becky Ortiz;
District Executive Secretary, Marsha Payne;
District Legal Counsel, Ernest Conant; and,
District Landowners or Representatives Jon Reiter, Jason Pucheu,
Bill Phillimore, Jim James, Noe Gonzales and Mike &
Rosana Goyenetché.

President Wegis welcomed everyone and noted a quorum.

Update and Discussion on Cal Water Fix & Water Management

General Manager, Jason Gianquinto, stated that today's meeting was a follow-up to previous landowner meetings to further discuss options and a timeline on the Cal WaterFix.

It was reported that the Cal WaterFix Project will be under a Design-Bid-Build concept. The Project is currently at 20% design stage. The projected costs are between \$13M to \$17M. Metropolitan Water District (MWD) is a major part of the program and will keep pretty close tabs of the costs. The Biological Opinion should be out next week as well as the Record of Decision and Notice of Determination.

Discussion followed regarding

- 1) Financing of the Project with possible Federal and State funding.
- 2) Methods for contracting for Cal WaterFix Participation

- a. A proposed amendment to the existing landowner agreements to include option for Cal Water Fix Participation
 - b. Development of new agreement for California Water Fix Participation (separate from existing contract water agreements). Would require development of scope of contract and definition of benefits.
- 3) Debt Service, decide method of payments for Cal Water Fix Participation
 - a. New Assessment: would Require Prop. 218 compliance
 - b. By Contract with willing landowners
 - c. Hybrid: combination of assessment for portion of benefit realized by District on behalf of all landowners paying the assessment and Contract with willing landowners for incremental water supply benefit
 - 4) Estimated Participation of all landowners
 - 5) True costs of the project

The meeting was discussion only and no action was taken.

Adjournment

At 10:00 a.m. President Wegis adjourned the meeting until the next Special Board Meeting scheduled for Thursday, June 30, 2017.

Respectfully submitted,

/s/ Todd Tracy, Secretary

APPROVED:

/s/ Fredrick A. Wegis, President