

KANAWHA WATER DISTRICT
MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS

June 11, 2026

* * * * *

PRESENT: DIRECTORS: L. BOYD, W. DANLEY, R. LEDERER, R. HANSEN, P. CECCON JR;

ABSENT: NONE;

ALSO PRESENT: VINCE LAUFER, MANAGER; VANESSA SHIPLEY, ASSISTANT SECRETARY;
REBECCA SMITH, DOWNEY BRAND;

President Boyd called the regular meeting to order at 08:00 a.m.

A. M/S/C: R. HANSEN, W. DANLEY:

AYES: L. BOYD, W. DANLEY, R. LEDERER, R. HANSEN, P. CECCON JR:

ABSENT: NONE:

To approve the minutes of the regular meeting of May 14, 2026, as mailed.

B. M/S/C: W. DANLEY, R. LEDERER:

AYES: L. BOYD, W. DANLEY, R. LEDERER, R. HANSEN, P. CECCON JR:

ABSENT: NONE:

Upon motion duly made, seconded, and unanimously approved, the following bills were paid from the General Fund Account. (Attached and a part of these minutes)

C. Mr. Laufer presented the District Treasurer's Report - Money Market Accounts - Tri Counties Bank (Land-Based). The balance is \$490,431.87 @ 3.67%, and the Tri Counties Bank account balance is \$1,161,436.93 @ 3.70%. LAIF balance is \$659,597.73 as of 05/01 @ 3.810%. Total in reserves is \$1,651,868.80. The balance in the Kanawha checking account is \$175,084.93, and the Kanawha-KGPFA checking account is \$3,968.35.

- Treasurer reported investments yielding ~3.6–3.7%; bank offered CDs: 3.2% (3–6 mo), 3.4% (12 mo).

The Board reviewed the year-to-date budget comparison.

1. There were no members of the public who wished to address the Board.

2. Legal items and reports: No Closed Session ON 1 and 2

a) Conference with Legal Counsel- Existing Litigation (Government Code § 54956.9)- two cases.

1. Center for Biological Diversity, et Al. v. U.S. Bureau of Reclamation, et al. (E.D. Cal. Case No. 1:20-cv-00706)

2. North Coast Rivers Alliance, et al. v. U.S. Bureau of Reclamation, et al. (E.D. Cal. Case No. 2:16-cv-00307-DAD-SKO).

3. Ms. Cummins, CPA, joined the conference call at 8:15 a.m.

Ms. Cummins, CPA, presented the 2025 Audit Report to the Board of Directors.

Ms. Cummins, CPA, ended the conference call at 8:25 a.m.

The Board accepted the 2025 Audit Report as presented by Mary Cummins, CPA.

4. Manager's Report:

a) May Water Use

- May usage: 962 acre-feet, slightly less than the prior year for May.
- Shasta storage/supply: staff reported being **~200,000 acre-feet lower** than last year; Keswick releases increased by **1,500 cfs**. September carryover projected near **2.2 million acre-feet**
- Also presented the Historical Water Use by Month.

b) Delinquencies – Weststeyn CO Trs J & G

c) Operations:

- District Field and Office staff performing standard daily operations.
- Assessments and land-based charges are coming due.
- Recent power outages affected large areas (west of I-5); impacted Maxwell and K1/K2 sites, and caused a **pressure transducer failure** and drained a tank. Staff found a redundancy toggle and ordered a replacement transducer
- K3 trash-pump required unscheduled service (clogging, cleaning, re-installation); after cleaning and re-installation, the pump operated proficiently.
- Staffing: district operating with limited seasonal help; board discussed accrual of **comp time** vs. overtime pay and possibility of hiring additional seasonal/relief staff.
- Current approach: staff accrue comp time during busy season and often take it in winter; board discussed offering limited cash-out or comp-time cash at year-end as a gesture.

5. Mr. Laufer reported on the February Board Meeting at the Tehama-Colusa Canal Authority

- Tehama-Colusa Canal Authority: Board reviewed May financials and O&M reports; reconveyance project items discussed (automatic trash racks, Corning pumping plant).
- Conveyance agreement work continues regarding who operates Funks Reservoir pumping plant and continuity between site crews and TC Canal operations; concern about winter maintenance downtime if conveyance occurs during high flows.

6. a) 2026 Budget and Water Rates

- i) Discussion and possible action re: Notifying DOI regarding Kanawha Water District's decision on the application of the WIIN Act overpayment credit.

Mr. Laufer reported that the Bureau will not issue a refund check for the estimated WIIN Act overpayment credit (approximately \$1.86 million). Instead, the credit must be applied toward future O&M obligations or remain in the construction account. *The Board directed staff to request that the credit be applied to annual O&M costs.* Given the potential rate relief, the Board discussed budgeting to build reserves and accelerate repayment of the District's PNC bond, while recognizing that the benefit should ultimately flow back to the landowners who funded the original assessment. Potential future reductions to the land-based assessment were discussed. The Board agreed to defer further planning until the Bureau formally confirms the credit amount and application method.

b) Water Supply

Mr. Laufer presented the reservoir levels for June 08th. Trinity Lake was at 2,116,000 acre-feet, compared to last year's 2,271,000 acre-feet. Shasta Lake was at 3,860,000 acre-feet, compared to last year's 4,096,000 acre-feet, with the 15-year average at 110%. Oroville was at 3,298,000 acre-feet, compared to last year's 3,406,000 acre-feet, with the 15-year average at 123%. The total North CVP

was 9,421,000 acre-feet, down from 9,746,000 acre-feet last year. Rain total from October 1st to date: 50.5 inches.

7. Mr. Laufer presented Resolution 2026-2 Commencing Alternative Assessment Procedure for Fiscal Year 2027.

M/S/C: W. DANLEY, R. LEDERER:

AYES: L. BOYD, W. DANLEY, R. LEDERER, R. HANSEN, P. CECCON JR:

ABSENT: NONE:

The Board approved Resolution 2026-2, Commencing Alternative Assessment Procedure for Fiscal Year 2027.

Notice of Public Hearing on August 13th at 8 a.m. will be published in the local newspaper on July 17, 2026, and August 1st. The notice will also be mailed to all landowners.

8. Report on Glenn Groundwater Authority.
- Budget was approved, lowering rates for all assessment tier classifications by about 30%
 - Mr. Laufer and Mr. Hansen gave a brief update on the development of the Groundwater Demand Management Program.

9. Other Report

a) Discussion and possible action re: Approval of cancellation of the Regular Board Meeting of July 9th, 2026.

M/S/C: W. DANLEY, R. LEDERER:

AYES: L. BOYD, W. DANLEY, R. LEDERER, R. HANSEN, P. CECCON JR:

ABSENT: NONE:

Motion carried to **cancel the July board meeting.**

10. Meeting Adjourned at 9:14 a.m.

VANESSA SHIPLEY
ASSISTANT SECRETARY

APPROVED ON: August 13th, 2026
Vanessa Shipley