

RECLAMATION DISTRICT NO. 108

Minutes of the Special Meeting

Of the Board of Trustees

April 2, 2015

President Durst called the Special Meeting of the Board of Trustees to order at 8:03 a.m. on Thursday, April 2, 2015 at Reclamation District No. 108 headquarters, Wilkins Slough, Colusa County, California.

Trustees Present: Fritz Durst, Mike Miller, Roger Cornwell, Sean Doherty, and Jon Leonard

Trustees Absent: None

Others Present: Lewis Bair, General Manager
Bryan Busch, Assistant Manager
Chad Navarrot, Operations Manager
Cathy Busch, Executive Secretary
Kevin O'Brien, Legal Counsel by Conference Phone
26 Landowners & Water Users (see attached sign-in sheet)

2015 Water Transfers - Manager Bair stressed that all water transfers were based on the District receiving 75 percent of their water supplies. There have been a lot of meetings regarding 2015 water supplies. The Bureau of Reclamation (USBR) will draft a 2015 operations plan for fishery agency and State Board approval. Manager Bair explained possible restrictions on April and May water diversions in order to save cold water for salmon in the fall.

The District is working with Colusa County Water District (CCWD) and Dunnigan Water District (DWD) on a Project Water transfer up to 10,000 acre-feet. Ms. Shelley Murphy reported that she has water requests for about 16,000 acre-feet and DWD is seeking about 1,500 acre-feet. After further discussion, it was moved by Trustee Cornwell, seconded by Trustee Doherty and unanimously approved to authorize Manager Bair to file a Notice of Exemption for a temporary water transfer of Project Water to DWD and CCWD with both Colusa and Yolo Counties of 10,000 acre-feet, provide DWD and CCWD the right of first refusal for an additional 8,500 acre-feet of Project Water and authorize Manager Bair to sign a groundwater substitution agreement for 12,000 acre-feet. Again it was cautioned that the water transfer is dependent on the District receiving 75 percent water supply.

Manager Bair reported that he met with Mr. Tom Howard, State Water Resources Control Board, regarding maximizing water transfers. He commented that the higher amount of water transfers would give more chance of getting a 75 percent water supply. In response, Manager Bair reached out to Ms. Frances Mizuno regarding increasing the amount of water that the District could transfer south of the Delta through crop shifting and idling through their environmental documents even though the District is listed for 20,000 acre-feet. The District has been negotiating with SLDMWA for a one year water transfer for 20,000 acre-feet at \$665 per acre-foot. In the meantime, Manager Bair was approached by West Hills Buyers Group, that is made up of water buyers within SLDMWA, to purchase water at \$800 acre-foot. District landowners submitted letters of interest totaling approximately 40,000 acre-feet. After further discussion regarding water transfer quantities for the crop shifting and idling program, it was moved by Trustee Cornwell, seconded by Trustee Doherty to cap District participation in crop shifting and idling water transfers at 50,000 acre-feet. The motion passed 4 to 1 with Trustee Miller opposing.

Mr. Eric Robbins, consultant for West Hills, explained to the District why a sub-group of Landowners within Westlands, which is part of SLDMWA, was seeking additional water. He said that he represent a group of landowners who have orchards and needed additional water to protect their investment. He reported that West Hills has an agreement with Westlands to move water through their conveyance system and the purchased water would fall under the SLDMWA environmental documents.

The Board went into Closed Session at 10:27 a.m. to discuss with legal counsel and real-estate negotiators pursuant to subdivision (b) of section 54956.9. At approximately 11:27 a.m. the Board came out of Closed Session and President Durst announced that there was one action taken. It was moved by Trustee Doherty, seconded by Trustee Cornwell and unanimously approved to sell 20,000 acre-feet of water to SLDMWA at \$665 per acre-foot, to offer West Hills 5,000 acre-feet at \$800 per acre-foot, offer any additional water to SLDMWA at \$800 per acre-foot, and to authorize Manager Bair to do all things necessary to complete the water transfers.

RECESS

At 11:45 p.m. the meeting recessed for lunch. Those present at the meeting were invited to join the Board for lunch. The meeting reconvened at approximately 12:15 p.m.

Manager Bair reported on the negotiations with SLDMWA and West Hills. Ultimately West Hills withdrew their proposal to purchase water at \$800 per acre-foot. He said that West Hills was

seeking new water and did not want to increase the cost of water to SLDMWA. Frances Mizuno said that SLDMWA was interested in taking all the water available as long as they can move the water south at \$665 per acre-foot. Again this water transfer is based on the District receiving a 75 percent supply. After further discussion, it was moved by Trustee Cornwell, seconded by Trustee Miller and unanimously approved to sell up to 50,000 acre-feet to SLDMWA at \$665 per acre-foot and to authorize Manager Bair to enter into an agreement for the water transfer and to do all things necessary to completed the water transfer. It was the consensus of the Board that the filed letters of interest would be covered first before any additional landowners are allowed to participate in the water transfer.

ADJOURNMENT

There being no comments from the public and no further business to come before the board, the meeting was adjourned at approximately 12:30 p.m.

Respectfully Submitted

Lewis Bair
Secretary/Manager