

RECLAMATION DISTRICT NO. 108

Minutes of the Regular Meeting Of the Board of Trustees

December 17, 2015

President Durst called the Regular Meeting of the Board of Trustees to order at 8:32 a.m. on Thursday, December 17, 2015 at Reclamation District No. 108 headquarters, Wilkins Slough, Colusa County, California.

Trustees Present: Fritz Durst, Jon Leonard and Mike Miller

Trustees Absent: Roger Cornwell and Sean Doherty

Others Present: Lewis Bair, General Manager
Bryan Busch, Assistant Manager
Chad Navarrot, Operations Manager
Cathy Busch, Executive Secretary
Beverly Walls, Bookkeeper
12 members of Public (See Attached List)

Kevin O'Brien, Legal Counsel
Steve Beckley, PR Consultant

Open Forum

President Durst welcomed the public to the meeting and opened the Public Forum. Manager Bair asked for Landowner/Water User comments regarding the Water Measurement Program (SBX7-7) prior to the Board taking action later in this meeting. In response to a question regarding a water rate increase, Manager Bair reported that the District is proposing an increase and noted that there have been no water increases since 2011. The Proposition 218 process for a water rate increase allows landowners to protest the rate. Landowners are given one vote for each acre of land they own within the District. If over 50 percent of the vote protests the new rate, the new rate will not be adopted. Provisions for short water supply year rate was also discussed.

Manager Bair reported that he has been meeting with the Bureau of Reclamation (USBR) and the Fisheries regarding operation of the Sacramento River (River). Shasta Reservoir storage temperature will have more impact on the District's water supply than in past years since the Fisheries are concerned with Fall River temperatures. Meetings with the USBR and the fisheries have been setup for every two weeks to review Reservoir operations. Currently the Settlement Contractors have contracted Dr. Dave Vogel to review data from the fisheries for accuracy and to research water temperature impacts on fish.

Assistant Manager Busch gave a presentation showing the District's web site. He pointed out District information posted to the web site and valuable links for Landowner/Water Users use. In the future Water Users will also be able to connect to the Water Measurement program to review their water program by field.

Manager Bair reported Term 91 curtailed diversions for Junior Water Right holders on the Sacramento River, riparian rights water was not affected. Term 91 was lifted on December 15 and Water Users were contacted to see if they would like to flood field for rice decomp and water fowl habitat through December 20. This water will be a significant benefit to water fowl habitat since there are very few acres flooded.

The Public Forum closed at 9:50 a.m.

Agenda – It was moved by Trustee Miller, seconded by Trustee Leonard and unanimously approved to approve the Agenda as presented.

ADMINISTRATION

Public Participation: There were no further comments from the Public at this time.

Consent Agenda – After discussion, it was moved by Trustee Miller, seconded by Trustee Leonard and unanimously approved to approve the consent agenda, including the Minutes of the November 19, 2015 Board meeting and the Special Landowner/Water User meeting held on December 8, 2015 as submitted.

Accounts Payable – After discussion, it was moved by Trustee Miller, seconded by Trustee Leonard and unanimously approved to approve the accounts payable: Maintenance Fund in the amount of \$4,877,114 (includes payments for 2015 water transfer \$3,503,953 and Shimmick Construction for KLOG \$920,722) and on-line payments and payments issued in December to be ratified in the amount of \$30,102 and Irrigation Fund in the amount of \$41,068 and payments in December to be ratified in the amount of \$1,738.

BUSINESS ITEMS

1. **Operations Report** – Operations Manager Navarrot reported District staff are currently cleaning drains and canals so that they will be ready should we have a big storm event, doing on-going rodent control, checking gates and encroachments along the River and replacing the drive cable on the fish screens. He expressed his concerns regarding extending the flooding period for rice decomp and bird habitat water, including drainage in the canal, personnel needs and pulled fish screens from the District's two main pumping plants. He reviewed the current trend that now has the District diverting water during the system maintenance season.

In response to a question, Assistant Manager Busch reported that the District is currently waiting on execution of the Flood System Repair Project agreement so that the District can begin to gravel sites along the Back Levee.

2. **Strain-West Drainage Issue** – Attorney O'Brien reported that the current Agreement, with the District's proposed changes, between Landowners Strains, West and District has been agreed to by Landowner West and the District. We are now waiting on Landowner Strain's agreement. Attorney Nelson commented that he plans to speak to Landowner Strain regarding the two 24" pipe to convey water and the cleaning of the ditch to reduce the high spot since there will be no impact to the District and these two items were not in the agreement.

3. **2015 Water Operations** – Assistant Manager Busch distributed copies of the 2015 District Summary, which includes the cropping, water supplies, water reuse, drainage pumped into the River and the average applied water per acre (3.26 acre-feet per acre).

4. **Water Measurement Program** – Manager Bair reviewed the proposed water rate structure (one-third acre cost; one-third fixed volume by crop; and one-third water use). There are still a few issues being worked on, such as double cropping and environmental water programs. The Proposition 218 process will set caps and terms on the proposed rates. He reported that a letter will be mailed out to Landowners in February with a hearing set for March of 2016.

5. **Fishery Projects**

- **Knights Landing Outfall Gates (KLOG)** - Manager Bair reviewed the costs related to the Project and the funding sources. The Project has been completed with just long-term operations and maintenance issues of the Giant Garter Snake that has to be worked out with the Department of Fish & Wildlife. The Corps of Engineers will submit this change.

- **Wallace Weir** – Manager Bair reported that the funding agreement with Department of Water Resources (DWR) should be signed before the holiday. A project meeting was held at the District on Friday. A technical meeting and tour is scheduled for Monday in Sacramento, starting at 9:00 a.m. This Project will raise the roadway at the Weir and will increase the size of the gates keeping the same flow capacity. CBEC will start the hydraulics for the Project.

6. 2016 Draft Financial Budget –

- **Irrigation Fund** - Manager Bair reviewed the 2016 Preliminary Budget with the Board. He reported that the Decomp Water Income could be overestimated by \$50,000 if we continue with the drought.
- **Maintenance Fund** – Manager Bair reviewed the Preliminary Maintenance Budget. He said that the Budget Public Relations has been increased by \$100,000 and the cost of the Rough & Ready Pumping Plant maintenance project has been added to the budget. Manager Bair reported that he had two landowners approach him regarding the benefits of remodeling the District Office be remodeled to add a Boardroom and to make the office building ADA assessable.

After further discussion, it was moved by Trustee Miller, seconded by Trustee Leonard and unanimously approved to adopt the Preliminary Irrigation with one change, decrease Decomp Water Income by \$50,000 and it was further moved to approve the Preliminary Maintenance Budget with the addition of \$100,000 to Public Relations and the cost of the Rough & Ready Pumping Plant Maintenance Project.

Manager Bair reported that in order to pay off the Solar Loan and SWAP, the Board needed to take action authorizing him to pay the loan and SWAP off and do all things to complete the payment. After discussion, it was moved by Trustee Miller, seconded by Trustee Leonard and unanimously approved, Manager Bair was authorized to pay the Wells Fargo Solar Loan and SWAP in full and do all things to complete the payment.

INFORMATION REPORTS

Sites Report – President Durst gave an update of the Sites JPA activities. The Sites JPA met in Willows and tried up the Sites Agreement and the Bylaws. Once the JPA has approved the

Agreement and Bylaws they will be approved by the JPA participants. Sites Manager Jim Watson will begin to meet with representatives from South of Delta for commitments for water purchase.

Communications Consultant – Mr. Steve Beckley reported that he continues to post to facebook and twitter. It is planned to film the water fowl with a drone within the next week.

Assistant Manager's Report - Assistant Manager reported that ACWA Region 2 Board was seeking a representative. After discussion, it was moved by Trustee Miller, seconded by Trustee Leonard and unanimously approved to adopt RESOLUTION NO. 15-14 nominating Assistant Manager Busch to ACWA Region 2 Board.

President Durst directed staff to set up a Groundwater Committee meeting February 2, 2016 and to send out the Agenda in mid-January.

There was discussion regarding the Groundwater Sustainability Act. NCWA has setup a Task Force and President Durst has been appointed the Chair. There was discussion regarding what the Sustainability Act is and the decision by the District to become a Groundwater Sustainability Agency (GSA). Overlapping GSA's will have to work together to come up with a Groundwater Sustainability Plan (GSP). The GSA's are required to submit boundaries by March 2016 and form the GSA by June 30, 2017 or the State will take the program over.

Manager's Report – Manager Bair asked for a Board Committee for the Office remodel. President Durst asked Trustees Miller and Leonard to sit on the Office Remodel Committee and they both agreed.

Manager Bair reported that Downey Brand was seeking a letter of representation regarding the CalWaterFix issue since they will be handling this matter for all their clients. It was moved by Trustee Miller, seconded by Trustee Leonard and unanimously approved to authorize Manager Bair to execute a Representation Letter to Downey Brand in respect to the CalWaterFix Issue.

CLOSED SESSION

The Board went into Closed Session at 12:15 p.m. to conference with legal counsel regarding personnel issue pursuant to subdivision (b) of section 54956.9. The Board came out of Closed Session at 12:40 p.m. and President Durst announced that the Board increased Manager Bair's salary by ____ percent and awarded Manager Bair a Performance Award of ____ percent.

NCWA's Report – There was no NCWA Report.

RECESS

At 12:40 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 1:00 p.m.

ADJOURNMENT

There being no comments from the public and no further business to come before the board, the meeting was adjourned at approximately 1:00 p.m.

Respectfully Submitted

Lewis Bair
Manager