

# RECLAMATION DISTRICT NO. 108

## Minutes of the Regular Meeting Of the Board of Trustees

January 23, 2017

President Durst called the Regular Meeting of the Board of Trustees to order at 8:33 a.m. on Monday, January 23, 2017, at Reclamation District No. 108 headquarters, Wilkins Slough, Colusa County, California.

**Trustees Present:** Fritz Durst, Roger Cornwell, Sean Doherty, Jon Leonard and Hilary Reinhard

**Trustees Absent:**

<b>Others Present:</b>	Lewis Bair, General Manager	Tom Charter, Landowner
	Meegan Nagy, Deputy Manager	Eric Schreiner, Water User
	Bill Vanderwaal, Deputy Manager	Hafeez Rehman, Landowner
	Gary Marler, Superintendent	Deke Dormer, Landowner
	Chad Navarrot, Asst. Superintendent	Vicent Andreotti, Landowner
	Cathy Busch, Executive Secretary	Cameron Kaelin, Landowner
	Beverly Walls, Bookkeeper	Bill Driver, Landowner
	Kevin O'Brien, Legal Counsel	Kim Gallagher, Landowner
	Steve Beckley, Public Relations	Fred Durst, Landowner
	Jon Segal, Public Relations	Don Huff III, Landowner
	John Louden, Colusa Supervisor	

**Agenda** – It was moved by Trustee Cornwell to approve the Agenda as submitted. Trustee Reinhard seconded. Vote: Approved 5 - 0.

### Open Forum

President Durst welcomed the public to the meeting. Deputy Managers Meegan Nagy and William “Bill” Vanderwaal were introduced and each gave a brief description of their background. Manager Bair stated that both Deputy Managers will bring valuable experience to benefit our landowners, with Ms. Nagy focusing on flood control and Mr. Vanderwaal focusing on water supply.

Manager Bair reported on the January storms and resulting river flood operations. District staff is currently on levee patrol which is triggered at a Wilkins Slough River elevation at 47.6 feet. Ms. Nagy reported that she met with the Department of Water Resources (DWR) to inspect boils and seepage sites along the River, including Missouri Bend. Once the water recedes and damage can be assessed, it is possible that damage during the flood event could be repaired using federal funding assistance.

Manager Bair distributed copies of the California/Nevada River Forecast and explained the real-time information that the District uses to monitor River flows and elevations. The District starts monitoring the River when Wilkins Slough River elevation exceeds 47.6 and 24-hour levee patrol begins at elevation 51.0.

Manager Bair reported on the recent developments of the Water Quality Control Plan and the potential impacts to Sacramento Valley Water Supplies if the Plan stays with an “Unimpaired Flow” approach. The Sacramento Valley is concerned that the approach has a very high water cost and isn’t likely to benefit fish as it doesn’t directly address the stressors for fish in each of their life cycles. Secondly, Manager Bair provided a summary of National Marine Fisheries Services recent proposed amendment to the temperature plan for the Sacramento River. This is often referred to as the Reasonable and Prudent Alternative or RPA. The Settlement Contractors received notice in January that NMFS wanted to adopt extremely conservative water temperature regulations with a 10-day notification period. The Settlement Contractors were able to push back and get NMFS to agree to a process during 2017 which would review the needs of fish and the impacts to water supply. The proposed temperature regulation proposed limiting deliveries to Settlement Contractors if ideal conditions were not possible. Manager Bair stressed the importance of Landowner and Water User participation in the Water Quality Control Plan by attending agency meetings.

Manager Bair reported on the alternative water supply analysis study that is being drafted by David’s Engineering Inc. He said that Mr. Vanderwaal will be leading this project and asked the Landowners and Water Users to contact Mr. Vanderwaal if they would like to participate in the Study.

Mr. Vanderwaal reported on SGMA. He compared the GSA process in both Yolo and Colusa Counties which seem to be very similar. Both Counties are planning on a single GSA working through a JPA.

The Public Forum ended at 9:27 a.m.

## **ADMINISTRATION**

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

**Consent Agenda –** It was moved by Trustee Leonard to approve the consent agenda. Trustee Cornwell seconded. Vote: Approved 5 - 0.

**Accounts Payable** – It was moved by Trustee Doherty to approve the accounts payable: Maintenance Fund in the amount of \$571,997, including payment of \$342,472 to KSN for Wallace Weir; and on-line payments issued in January to be ratified in the amount of \$154,275; and Irrigation Fund in the amount of \$58,208. Trustee Reinhard seconded. Vote: Approved 5 – 0.

## **BUSINESS ITEMS**

**1. Board Officer Election** – President Durst opened the meeting for nominations for the position of President of the Board. Trustee Doherty moved to nominate President Durst for the position of President and close the nominations. Trustee Cornwell seconded. Approved 4 – 0. President Durst abstained.

President Durst opened the meeting for nominations for the position of Vice-president. Trustee Doherty moved to nominate Trustee Cornwell for the position of Vice-president and close the nominations. Trustee Reinhard seconded. Approved 4 – 0. Trustee Cornwell abstained.

President Durst opened the meeting for nominations for Secretary-Manager. Trustee Reinhard moved to nominate Manager Bair for the position of Secretary-Manager and close the nominations. Trustee Cornwell seconded. Approved 5 – 0.

**2. Operations Report** –Superintendent Marler reported on District-wide operations. Mr. Marler reported that he met Jon McKean, DWR, at Landowner Gary Driver’s pump station just south of Tule Road. Pipes at the pump station were marked for proper abandonment or removal under the Deferred Maintenance Project. Mr. Marler reported that the screens at Wilkins Slough have been pulled, but the screens at the Emery Poundstone Pumping Plant have been left in place to divert water for the Fish Food Program.

**3. Projects –**

- **KLOG** – The USBR payment of \$93,000 is currently working its way through the system and the District should receive it soon. The District should also be receiving the balance of \$75,000 owed by the Settlement Contractors Association.

- **Wallace Weir** – Manager Bair reported that construction stopped when Colusa Basin Drain flows overwhelmed the Project Site. Plans are being made to complete construction once the flood season is complete.

- **Fish Food Project** – Manager Bair reported that the fish food project had close to 5,000 acres participating instead of the 10,000 acres that were originally proposed. There is some

funding available for this project and after costs have been paid the balance will be distributed to the participants.

4. **SGMA** – Mr. Vanderwaal reported that both Yolo and Colusa Counties were working on setting up the GSA as a JPA. Yolo County is currently working on the governance with one vote per agency. He noted that Glenn County was not as far along in the process as Colusa County. Attorney O'Brien noted that at this point there is no legal process to get out of the GSA.

5. **Colusa County & Dunnigan Water Districts In-Lieu Recharge Program** – Manager Bair reported that Colusa County Water District (CCWD) and Dunnigan Water District (DWD) was seeking to have the Capital Cost removed from the terms of the proposed water transfer and resolution of price for Settlement Contractor Critical Years. Mr. Vanderwaal provided a presentation illustrating the revenues of different scenarios. Attorney O'Brien stated that all costs and permits would be paid by CCWD and DWD. The Board discussed the purpose of improving groundwater conditions vs maximizing revenue. After further discussion, it was moved by Trustee Cornwell to remove the Capital Cost from the proposed water transfer rate, offer water at \$275 per acre-foot on a 75 percent year with a take or pay and authorize staff to negotiate with CCWD and DWD with these terms. Trustee Reinhard seconded. Approved 4 – 0 with Trustee Doherty abstaining.

7. **Tract 6 Lease** – Manager Bair reported that the Tract 6 Committee met to review lease options since 2017 is the last year of the current lease. The Committee directed Manager Bair to offer the current leases a lease extension of two years. Several lessees requested that they be offered the full three years with a two-year option and no rent adjustment. One lessee asked for an extension of two years with a rent reduction. Lessee Charter reviewed the costs to grow rice and the low commodity prices projected for 2017. Further discussion on this matter will be tabled until the Attorney's Report. President Durst directed the Tract 6 Committee to continue working with the current lessees with proposed terms including a 3+2 year lease extension at the current rental rates and raising the price point of the sliding scale by \$2.

6. **Westervelt Ecological Services Ag Easement** - Manager Bair reviewed the Agreement with Westervelt regarding the Bullock Bend Project. Westervelt provided the spoil from the Bullock Bend Project and trucking in exchange for an agriculture easement on Tract 6. After discussion, it was moved by Trustee Cornwell to authorize Manager Bair to execute a Restrictive Covenant & Equitable Servitude Agreement for Agricultural Land Preservation with Westervelt Ecological Services. Trustee Doherty seconded. Approved 5 – 0.

**8. Adoption of the 2017 Maintenance and Irrigation Financial Budgets** – The Board reviewed the proposed 2017 Budgets. It was moved by Trustee Cornwell to approved the Maintenance Fund, Irrigation Fund and Project Budgets as presented. Trustee Doherty seconded. Approved 5 – 0.

**9. Resolution No. 17-01 in the Matter of Adopting an Investment Policy** – After discussion, it was moved by Trustee Doherty to adopt RESOLUTION NO. 17-01 in the matter of adopting an Investment Policy. Trustee Cornwell seconded. Approved 5 – 0.

## **INFORMATION REPORTS**

**NCWA Report** – Trustee Cornwell reported on current NCWA activities. The Annual meeting is scheduled for March 3 at the Sierra Brewery in Chico, starting at 9:00 a.m.

The Board reviewed the District's NCWA representatives. After discussion, it was moved by Trustee Doherty to appoint Roger Cornell as the District's representative to NCWA and to appoint Trustee Reinhard as the alternative representative. Trustee Leonard seconded. Approved 5 – 0.

**Sites JPA** – President Durst gave a status report on Sites Reservoir Project. He said that a Sites Reservoir Committee has been created and that the District needed to appoint a representative to the Committee. It was moved by Trustee Doherty to appoint Deputy Manager Vanderwaal to the Sites Reservoir Committee. Trustee Cornwell seconded. Approved 5 – 0.

**Communications Consultant** – Manager Bair reported that Mr. John Segale, Public Relation Consultant's agreement has been changed to a time and material rate for two events per year, not to exceed \$15,000.

### **Deputy Managers' Report**

**Nagy** – Ms. Nagy reported on the PL84-99 Program. Once the River is below monitoring stage and can be assessed for damage caused by the 2017 Storm Event, the District will have 30-days to submit a claim to the Corps of Engineers.

**Vanderwaal** – Mr. Vanderwaal reported on the status of the office remodel. He met with Ms. Valerie Ehrke regarding construction support and is currently working with a septic system designer. The District's Water Efficiency Grant has been approved with DWR funding of \$1.5 million and USBR funding of \$750,000.

**Manager's Report** – Manager Bair discussed proposed agenda items for the Annual Landowner/Water User meeting that is scheduled for February 23, 2017. This will be a joint meeting with SRWSLD.

**Attorney's Report** – The Board went into Closed Session with Legal Counsel at 11:55 a.m. regarding anticipated litigation pursuant to subdivision (b) of section 54956.9. The Board came out of Closed Session at 12:20 p.m. and President Durst announced that no action was taken.

The Board recessed at 12:25 p.m. for lunch.

### **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