

RECLAMATION DISTRICT NO. 108

Minutes of the Regular Meeting Of the Board of Trustees

October 19, 2017

President Durst called the Regular Meeting of the Board of Trustees to order at 8:30 a.m. on Thursday, October 19, 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: None

Others Present:

Lewis Bair, General Manager	Kim Gallagher, Landowner
William Vanderwaal, Deputy Manager	Steve Beckley, Public Rel.
Meegan Nagy, Deputy Manager	Don Huff Jr, Landowner
Gary Marler, Superintendent	Don Huff III, Landowner
Cathy Busch, Secretary	Les Canter, Landowner
Beverly Walls, Bookkeeper	Seth Williams, Landowner
Kevin O'Brien, Legal Counsel	John Louden, Colusa Co
Jordon Navarrot, Staff	Supervisor
Gage Howser, Hutchinson Capital Inv.	

Open Forum

Dunnigan Water District Management – Manager Bair reported that he was approached by Dunnigan Water District (DWD) to see if the District would be interested in taking on the Management of DWD when their Manager retires. The staff of DWD is made up of the Manager and one waterman. President Durst reported that at this time there is a person looking for a position that would fill a new position for the staffing need for DWD and fill in needed gaps in the District's staffing. Manager Bair distributed a list of the pros and cons of taking on DWD management. This matter will be discussed by the Board later in the meeting.

Project Updates

- Office Annex – Deputy Manager Vanderwaal gave an update on the Office Annex Project. If the Project stays on schedule, the first meeting in the new boardroom will be January 2018.
- Side Channel for Chinook Salmon – RD 108 will be providing labor to help clean out the Lake California Park Side Channel to help Winter Run Chinook Salmon. RD108 staff was originally set to provide similar support for the Rio Vista Side Channel, but was changed due to landowner issues. The District staffing commitment for the Project will require about two weeks and take a staff of five. Tehama Resource Conservation District will be providing

the equipment. This is one of the Projects that the Settlement Contractors have been doing as part of the Volunteer Agreement process.

- Fall Water – President Durst reported that there was water available in October. There is a chance that Term 91 could be called after November 1 if there is no rain between now and November 1.
- General Discussion – In response to a question regarding the SMUD proposed powerline through the District, President Durst said they were looking to go through Yolo County, but still show Colusa County as an alternative. There was discussion regarding a Fish Food Project during 2017. During 2016 it was found that a lot of fish food can be produced in rice fields. It will be the goal in 2017 to determine the best way to get the fish food back to the River and to see how effective the Project can be in a large system, determining if the fish food gets too diluted to make it effective.

The Public Forum ended at 9:10 a.m.

ADMINISTRATION

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

Consent Agenda – It was moved by Trustee Doherty to approve the consent agenda, including the Minutes of the Board Meeting held on September 21, 2017 and the Capital Outlay Committee held on October 5, 2017 as submitted. Trustee Reinhard seconded. Vote: Approved 3 - 0.

Accounts Payable – Manager Bair reported that the Bureau of Reclamation (USBR) has provided the District with the annual accounting showing the Operations & Maintenance cost for 2014 and 2015 owed by the District, \$132,076. It is his recommendation that we pay this amount today since the interest charged by USBR is much higher than what is earned on investments. Manager Bair reported that the payment to USBR will be wired and asked if he had authority to authorize the wire. President Durst stated that if the Board authorizes a payment, it should not matter if it is a paper check or a wire. It was moved by Trustee Reinhard to approve the accounts payable: Maintenance Fund in the amount of \$578,462 and on-line payments issued in October to be ratified in the amount of \$383.91; Irrigation Fund in the amount of \$84,246 and on-line payments to be ratified in the amount of \$43,316. Trustee Leonard seconded. Approved 5 – 0.

BUSINES ITEMS

1. **Operations Report** –Superintendent Marler summarized on-going maintenance activities within the District. On September 27 non-office staff received Sexual Harassment Training. Flood

Fight Training will be held at the District on Nov.9th. The District provided assistance to Colusa County in replacing the bridge over the main drain. Dave McCullough Excavation was billed for services in the amount of \$5,373. District staff has been applying water to Camp Road during rice harvest for dust control. There is a possibility that the contractor making repairs on the Back Levee slips will have approximately 25,000 yards of clay material that can be blended with the silt on Camp Road to help eliminate the dust issue. Rice decomp water started on Monday October 16.

2. Lake California Side Channel Project – Deputy Manager Vanderwaal reported on the Lake California Side Channel Project. This project replaces the Rio Vista Side Channel Project. Both projects are CVPIA listed projects. He said that he asked legal counsel to review the MOU for the Rio Vista Project to confirm that it will not need to be revised for the Lake California Project. Staff is recommending that the District move forward with the Lake California Side Channel Project. It was moved by Trustee Cornwell to change from the Rio Vista Side Channel Project to the Lake California Side Channel Project pending legal counsel approval. Trustee Doherty seconded. Approved 5 – 0.

3. Office Emergency Back-up Generator – Deputy Manager Nagy reported that she submitted a grant application to California OES/FEMA for an emergency back-up generator for the office with a \$16,000 local cost-share the requires a letter of funding commitment, should our project get selected. It was moved by Trustee Cornwell to authorize Manager Bair sign a commitment letter for the local share. Trustee Reinhard seconded. Approved 5 – 0.

4. Management of Dunnigan Water District – Manager Bair reported that there is some urgency in taking action on accepting Management of the Dunnigan Water District (DWD). There was discussion regarding possible conflicts and what the financial impacts would be. Manager Bair was directed to look further into possible issues and costs and bring back to the November Board meeting.

5. CLOSED SESSION– The Board went into Closed Session at 9:55 a.m. to conference with legal counsel – anticipated litigation. Significant exposure to litigation pursuant to subdivision (b) of section 54956.9 (CalWater Fix Comments, Settlement Contractors). The Board came out of Closed Session at 10:55 a.m. and President Durst announced that no action was taken.

INFORMATION REPORTS

1. **NCWA Report** – Trustee Cornwell reported the NCWA dues will increase next year from \$1.95 per acre up to \$2.05 per acre. It was the consensus of the Board that NCWA was a good association to represent Northern California. President Durst thanked the RGF owners for allowing Trustee Cornwell the time needed to participate on the NCWA Board.

Trustee Cornwell announced that RGF, Cal Trout and UC Davis will be hosting a dinner on November 9 as a kickoff for Fish Food Project. They feel that it will be an opportunity to bring a diverse group of people together to discuss strategy for helping fish.

2. **Sites JPA** – President Durst gave a status of the Sites JPA activities. He said that Phase 1 commitment was 20,000 acre-feet at \$48.50 per acre-foot. The District has a balance of this commitment of \$343,000 that is now due. It was moved by Trustee Doherty to issue payment to Sites JPA in the amount of \$343,000 for the final payment for Phase 1. Trustee Reinhard seconded. Approved 5 – 0.

President Durst reported on the Governance Committee. He said that the Committee is discussing rebalancing of water commitments, with some entities wanting to take less water than originally committed and others requesting more. The goal is to keep 25 percent of the water in Northern California. Should the commitment go below the 25 percent, then water could be offered to other water entities in Northern California. One concern is that the exporters feel that any water turned back should go to them. The next call for funding of Phase 2 will be significantly higher than Phase 1. It will be very important for the District to hold landowner workshops to bring information to landowners about the Sites Project so that they can make informed decisions for both their farms and the District.

3. **Communications Consultant** – Mr. Steve Beckley gave a report on Facebook, Twitter and photos he has taken and posted during the month.

4. **Policy Ad Hoc Committee Report** – Trustee Reinhard reported that the Committee is starting with the Employee Handbook and has completed the first three sections. Once this is completed an index of policy will be presented to the Board for review with a proposed timeline.

5. **Deputy Managers' Report** – Deputy Manager Vanderwaal reported on the following Projects:

- **Emission Reduction Credits** – The District agreed to sale 5-tons VOC, 1.1-tons PM10 and 3-tons CO at the authorized price. The District should net \$97,305. The proceeds from this sale will go to the Reserve Fund.

- **Water Use Grant** – The first semi-annual report has been sent to USBR on October 13. KSN provided a preliminary cost update for the low-pressure pump at North Steiner. A meeting was held with the impacted Landowners on October 17 to review the design assumptions. He has posted the RFP on the website for the environmental consultant services.

- **Long-Term Water Transfer** – The Addendum to the Long-Term Water Transfer EIS/R was adopted by the San Luis & Delta Mendota Water Authority. It retains the groundwater substitution up to 15,000 acre-feet; increases crop idling up to 40,000 acre-feet; sets a maximum of 49,924 rice acres that can be idled and/or shifted. Litigation over the EIS/R is ongoing.

- **Groundwater Sustainability Agency (GSA)** – Yolo County awarded contract to GEI for filing the Prop 1 application. Colusa County is working with Glenn County on a RFP for a Hydrogeological Model and Water Budget for submission. Both of these documents are required in the Groundwater Sustainability Plan.

Deputy Manager Nagy reported that the Corps of Engineers contractor is working on the Back-Levee slips. The repairs should be completed by mid-November. Because of the urgency to complete the repairs, President Durst executed the Local Cooperation Agreement for PL84-99 repair work. It was moved by Trustee Cornwell to ratify the Local Cooperation Agreement for PL84-99 repair work. Trustee Reinhard seconded. Approved 5 – 0.

Deputy Manager Nagy reported on the Regional Conservation Investment Strategy & Mitigation Credit Agreements. The MUSRFP grant has been awarded a \$100,000 to do a Pilot Project. She attended a Board Workshop where representatives from most regional areas in the Central Valley let it be known that they had no funding to attend future meetings. Deputy Manager Nagy reported that any future meetings she attends will be strictly on behalf of RD 108 and sister districts.

Deputy Manager Nagy reported that she has submitted costs for power (\$200,000) and labor, equipment and supplies (\$25,000) to FEMA for reimbursement. The District should receive 95 percent of the costs submitted. She reported that Shasta was at 3.3 million acre-feet at the beginning of flood season and they were told to expect early releases. She said that RD108 will start the flood season with all repairs made, but SRWSLD will not have any repairs made. She is currently working with DWR to prepare contingency plans for each site that was not repaired. It was suggested that landowners be sent a letter to prepare for a wet year and take any appropriate actions.

Deputy Manager Nagy reported that the California Central Valley Flood Control Association (CCVFCA) is currently working to get a \$100 million annual appropriation for DWR for back

logged deferred maintenance. Appropriations of a \$100 million was made in a previous year, but \$80 million was diverted to the 2017 floods.

6. Manager's Report – Manager Bair reported that the Fall ACWA Conference will be held in Anaheim, CA starting November 29 through December 1. If anyone would like to go, please contact Cathy in the Office. Manager Bair said that he has been speaking at a lot of speaking events and feels that we are getting our story to the public, letting them know how much agricultural is involved with the environment and species efforts.

7. Investment Report – Mr. Gage Howser reported on the District's investments and what he sees for the future earnings.

The Board recessed at 12:10 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 12:45 p.m.

Respectfully Submitted

Lewis Bair
Manager