

RECLAMATION DISTRICT NO. 108

Minutes of the Regular Meeting Of the Board of Trustees

November 16, 2017

President Durst called the Regular Meeting of the Board of Trustees to order at 8:33 a.m. on Thursday, November 16, 2017 at Reclamation District No. 108 headquarters, Wilkins Slough, Colusa County, California.

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

Trustees Absent: Jon Leonard

Others Present:	Lewis Bair, General Manager	Cathy Busch, Secretary
	William Vanderwaal, Deputy Manager	Beverly Walls, Bookkeeper
	Meegan Nagy, Deputy Manager	Don Huff Jr, Landowner
	Gary Marler, Superintendent	Jordon Navarrot, Staff
	Kevin O'Brien, Legal Counsel by phone	John Loudon, Colusa Co Supervisor

Agenda – Manager Bair reported that Attorney O'Brien was only available by phone at 9:15 a.m. and requested that the Closed Session be moved to 9:15 a.m. It was moved by Trustee Reinhard to approve the agenda as amended moving Closed Session to 9:15 a.m. Trustee Cornwell seconded. Approved 4 – 0.

Open Forum – Manager Bair reported that the State Water Resource Control Board (State Board) is working on updating the Bay Delta Water Quality Control Plan. The changes in the plan are as significant as we thought and the Board is leaning to a water supply remedy since that is the only resource which they control. He reviewed the possible impacts to the District if Agricultural water supply is decreased from the Central Valley Project, such as higher cost of water and cropping changes. The State Board is looking to have proposals to them by December 15, 2017. Mr. Bruce Babbitt will continue to work with water users and the NGO community to develop a more comprehensive approach which can be supported by the State Resources Department.

President Durst gave an update on the Sites Reservoir Project. The application to the Water Commission is moving forward. Currently DFW is working on Project impacts of diversions on fish. He reported that the next call for funding will be substantial and the District will need to confirm what volume of water it is still interested in pursuing in the next 6 months. Proposition 1 applications should be approved by March 2018 and Sites should know by June if their Project receives funding. The next step in the Sites Reservoir Project will be design and permitting.

Manager Bair reported on the District election to be held on November 14. The Board has two seats open and three nominees, Hilary Reinhard, Todd Miller and Joe Lauwerijssen. Trustee Leonard has decided not to run again.

Deputy Manager Nagy reported that the District sent out a letter to Landowners adjacent to the Back Levee regarding the repair of critical erosion sites on the Back Levee from the 2016/17 Storm season. She said that there are five sites along the Sacramento River that will not be fixed until next year. It was her recommendation that if Landowners and/or Water Users have equipment on the lower side of the District to move it to higher ground as a precaution.

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 Cornwell to approve the consent agenda, including the Minutes of the Board Meeting held on October 19, 2017. Trustee Doherty seconded. Approved 4 - 0.

Accounts Payable – It was moved by Trustee Doherty to approve the accounts payable: Maintenance Fund in the amount of \$711,704 and on-line payments issued in November in the amount of \$25,473, checks issued during October in the amount of \$343,000 and transfers between River City Bank accounts in the amount of \$585,000 to be ratified. Irrigation Fund in the amount of 33,558 and online payments to be ratified in the amount of \$1,156. Trustee Cornwell seconded. Approved 4 – 0.

BUSINES ITEMS

1. Operations Report – Superintendent Marler reported that the District has begun to deliver rice decomposition water. Staff is continuing to make repairs to the concrete canal liners, rat holes, risers and seep gates throughout the District. Work has been completed at Howells Point, which included removing islands that had formed in the middle of the channel and making permanent repairs to sloughing embankments. A trash rack was installed on the east side of the Lateral 8 Check pumps and staff will be pulling the drive assembly of Pump No. 5 at Wilkins Slough PP for inspection and possible repairs due to continued excessive noise.

2. Lake California Side Channel Project – Deputy Manager Vanderwaal reported that the Project is currently waiting on permits. This Project is scheduled to be done in December, but if the water level is low it could be rescheduled for a later time.

6. CLOSED SESSION – The Board went into Closed Session at 9:15 a.m. where Attorney O'Brien was connected to the meeting by telephone, to discuss anticipated litigation and significant exposure to litigation pursuant to Subdivision (d) of Section 4956.9 (California WaterFix Comments, Settlement Contractors). The Board came out of Closed Session at 10:22 a.m. and President Durst reported no action taken. Attorney O'Brien terminated his telephone call at 10:23 a.m.

3. 2018 Preliminary Budget – Manager Bair presented the proposed Preliminary Budgets for Maintenance Fund, Irrigation Fund and Projects. He reviewed the proposed budgets and asked that the Board review for action at the December Board meeting along with the proposed five-year budgets.

4. Tract 6 Oil and Gas Leases – Deputy Manager Vanderwaal reported that the Termo Company contacted the District about oil and gas exploration within Tract 6. The District is required to conduct open bidding for oil and gas leasing. A draft referendum with prices/royalty rates and acreage were discussed. After further discussion, it was moved by Trustee Doherty to adopt RESOLUTION NO. 17-13 in the matter of the District's intention to enter into a Lease for exploration and production of oil and gas for minimum terms of three years, 20 percent royalty and rent on approximately 1,488.34 acres at \$25 per acre as described in Attachment A. Trustee Cornwell seconded. Approved 4 – 0.

5. Rice Commission Fish Food Project with the Delta conservancy – Manager Bair reported that the Rice Commission was seeking a renewed commitment from the District regarding their proposed Fish Food Project with the Delta Conservancy. This Project has no financial commitment other than the Manager's time from the District and will pay Water Users for participation. It was moved by Trustee Cornwell to renew commitment to the Rice Commissioner for the Fish Food Project. Trustee Reinhard seconded. Approved 4 – 0.

INFORMATION REPORTS

1. NCWA Report – Trustee Cornwell reported on current activities of NCWA. NCWA has continued to give educational tours of Northern California Fish restoration projects showing legislature, staff and public what agriculture is doing for the environment. He reported that the 2018 Water Leadership Class is being formed and asked that the District submit nominees from its Landowners, Water Users and staff.

2. Sites JPA – President Durst gave a status report of the Sites Project. Phase 2 of the Project will begin soon and will require a significant funding call. The Sites JPA is working on governance and how water will be reallocated as some agencies reduce their water commitment. They have set a 25 percent minimum of the average annual yield from Sites to stay in Northern California.

3. **Communications Consultant** – Mr. Steve Beckley had a scheduling conflict and was not at the meeting. His written report was in the meeting packet.
4. **Policy Ad Hoc Committee Report** – Trustee Reinhard reported that staff has been moving forward with the District handbook and are making progress.
5. **Deputy Manager's Report** – Deputy Vanderwaal gave a report on ongoing projects. He reported that substantial completion should be in late-December or early-January on the office annex and the new Boardroom should be completed for the January Board meeting. The propose sale of Emission Reduction Credits should be completed within the next few weeks. He also gave a status of the SGMA program in Yolo and Colusa Counties.

Deputy Manager Vanderwaal reported that PWRPA has been invited to participate in the Wetlands Solar Park, (aka. Aquamarine). He reviewed what the project is and what benefits it would have for the District. He will bring this back to the District for action at the December Board meeting.

Deputy Manager Nagy reported that SRWSLD would like to be a co-signer for a letter to landowners in both RD108 and SRWSLD regarding the coming storm season and being prepared. She stated that the Central Valley Flood Protection Board (CVFPB) is focusing on the flood season and being prepared with improved emergency response.

Deputy Manager Nagy reported on the Regional Conservation Investment Strategy (RCIS) pilot project. There are discussions on the boundaries of the RCIS area and if Feather River should be included. Yolo County has its own area. She said that it was suggested by Denise Carter that the SGMA area be used for boundaries. The larger area would benefit the District by having a larger group of potential buyers for the credits. A Public Meeting will be held on December 6 at the Colusa Casino.

6. **Manager's Report** - Manager Bair reported that he had nothing further to report at this time.

The Board recessed for lunch at 12:07 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