

RECLAMATION DISTRICT NO. 108

Minutes of the Regular Meeting Of the Board of Trustees

June 21, 2018

President Durst called the Regular Meeting of the Board of Trustees to order at 8:33 a.m. on Thursday, June 21, 2018 at Reclamation District No. 108 headquarters, Wilkins Slough, Colusa County, California.

Trustees Present: Fritz Durst, Todd Miller, Hilary Reinhard and Sean Doherty by Phone

Trustees Absent: Roger Cornwell

Others Present:

Lewis Bair, General Manager

William Vanderwaal, Deputy Manager

Kevin O'Brien, Legal Counsel

Gary Marler, Superintendent

Cathy Busch, Secretary

Beverly Walls, Bookkeeper

Steve Beckley, Landowner

Deke Dormer, Landowner

John Loudon, Colusa Co Supervisor

Joe Lauwerijssen, Landowner

Blair Voelz, Landowner

Jim Morris, Calif Rice Commission

Agenda – It was moved by Trustee Reinhard to approve the agenda as submitted. Trustee Miller seconded. Approved 3 – 0.

Open Forum – President Durst welcomed guests to the Open Forum. He introduced Mr. Jim Morris, Calif. Rice Commission (CRC). Mr. Morris explained what the Calif. Rice Commission does and how it is working hard to get the public informed in how agriculture helps waterfowl and other species by providing needed habitat through rice water. He also wanted to let the District know how important communications are and that agriculture today wins when we all work together to inform the public about the benefits of agriculture in California. President Durst thanked Mr. Morris for attending the meeting and all that CRC does for Ag.

President Durst asked landowners for comments on the proposed Management of Dunnigan Water District (DWD). One landowner expressed concern that taking on more responsibility could take away from the District's primary goals. There were also comments on potential benefits of working closely with DWD and the benefits to the District. The Board will be taking action on this matter later in the meeting. Mr. Deke Dormer reported on some misconceptions in the District. He suggested that the District hold meetings with staff, Landowners and Water Users to discuss issues so that there are no future misunderstandings. The Board concurred and Manager Bair will setup a meeting with Mr. Dormer.

Manager Bair reported that Sacramento River West Side Levee District (SRWSLD) has been approved for State funding to repair of the Missouri Bend Levee. SRWSLD is seeking a loan for cashflow for five to six years. He asked landowners their thoughts about the District loaning SRWSLD the needed funds. The loan would be setup to benefit the District which is currently only making about 1.5 percent on its reserve funds. The Landowners comments were supportive of loaning SRWSLD funding for the levee improvements.

The Public Forum ended at 9:09 a.m.

ADMINISTRATION

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

Consent Agenda – It was moved by Trustee Miller to approve the consent agenda, including the Minutes of the Board Meeting held on May 17 and the Landowner Workshop held on June 13, 2018. Trustee Reinhard seconded. Vote: Approved 3 - 0.

Accounts Payable – It was moved by Trustee Miller to approve the accounts payable: Maintenance Fund in the amount of \$312,337; on-line payments issued in June in the amount of \$24,336, electronic payments in the amount of \$11,575, and transfers between River City Bank account to Money Market Fund in the amount of \$140,000 to be ratified. Irrigation Fund in the amount of \$8,109.88. Trustee Reinhard seconded. Approved 3 – 0.

BUSINESS ITEMS

1. Operations Report – Superintendent Marler reported on District-wide maintenance. He reported that Mr. Rafael Villa has been promoted to Watermen Supervisor and will train with Mr. Hetherington until his last day. Superintendent Marler reported that the District sold two pickups and the old spray truck at BidCal Auction, receiving approximately \$14,000. He reported that this was a much better return on retired equipment and recommended selling at the auction in the future. Trustee Miller reported that when the District drags the Back Levee, they are also dragging across White Road. He expressed his concern that this could cause an issue. Superintendent Marler said that he would investigate this matter and make any needed changes.

2. Review and Consider Providing Management and Field Staffing for Dunnigan Water District (DWD) – The Board reviewed the proposed agreement for management of DWD. There was concern that RD108 retains Downey Brand as legal counsel and that DWD would have to obtain other legal counsel should the need arise. It was suggested that this be added to the agreement. There was also concern about the added responsibility that would be added to staff and where the additional time would come from. After further discussion, it was moved by Trustee Doherty to enter into a Management Agreement with Dunnigan Water District for management, including a clause stating that in case of a conflict, RD108 would

retain Downey Brand as legal counsel. President Durst called for a roll call: Trustee Doherty, yes; Trustee Reinhard, yes; Trustee Miller, no; President Durst, yes. Approved 3 – 1.

4. Consider and Adopt Mitigated Negative Declaration for Water Use Efficiency Grant Project – It was moved by Trustee Reinhard to adopt RESOLUTION NO. 18-03 in the matter of Adopting the Mitigated Negative Declaration, Approving Notice of Determination, and Giving Final Approval for Distribution Systems Improvement Project and to authorize Manager Bair to do all things to move forward with the Project, contingent upon addressing comments that may have been mailed prior to the closing date of Wednesday, June 20, 2018. Trustee Miller seconded. Approved 3 – 0.

3. Review and Approve Mid-Upper Sacramento Regional Flood Management Project (MUSRFMP) 2nd Amendment to Peterson-Brustad, Inc Agreement – Manager Bair reported that the MUSRFMP has 100 percent funding and the 2nd amendment extends the agreement to eight years and updates the consultants contact information. It was moved by Trustee Miller to approve the MUSRFMP 2nd Amendment to the Peterson Brustad, Inc Agreement and authorize Deputy Manager Nagy to sign the agreement. Trustee Reinhard seconded. Approved 3 – 0.

5. PWRPA - Westlands Aquamarine Solar Project – Deputy Manager Vanderwaal reported that PWRPA is expected to finalize the agreement to purchase power from Westlands Aquamarine Solar Project. The District requested 0.3 MW. He explained that the cost of the power would be either \$38.95 with the Most Favored Nation or \$36.75 without the Most Favored Nation clause. It was moved by Trustee Reinhard to approve the participation in Westlands Aquamarine Solar Project at .3MW regardless of the pricing option and to Authorize Deputy Manager Vanderwaal to vote on the District's behalf. Trustee Miller seconded. Approved 3 – 0.

6. Take Action on Valley Clean Energy Participation in Yolo County – The Valley Clean Energy (VCE) has been formed in Yolo County and assimilating all PG&E customers unless they opt out. VCE advertises a savings target of 2.5 percent lower than PG&E. He reviewed the opting out options. After discussion it was the consensus of the Board to stay in the VCE until we can see what savings they can provide. He also commented that if the District decided to change to PWRPA, it may be easier to go from VCE to PWRPA.

INFORMATION REPORTS

1. NCWA Report – Manager Bair reported that NCWA had completed a Task Order for additional communications. They will be hiring the firm that RGF has used to enhance what they do. Manager Bair commented that they are very good at putting together high-quality videos. It was suggested that Sacramento River Settlement Contractors have a short video that can be used when attending meetings in Washington DC.

2. **Sites JPA** – Deputy Manager Vanderwaal reported that the Sites JPA is looking for solid quantities in October for participation. The District will need to setup several more Landowner Workshops to review the updated information on Sites to support a decision.

3. **Public Relations Consultant** – Mr. Steve Beckley reported on Public Outreach.

4. **Policy Ad Hoc Committee Report** – Trustee Reinhard reported that she had nothing further to report.

5. **Deputy Manager's Report**

- **Sycamore Slough Solar Plant Operation** – The Sycamore Slough Power Project has not produced any energy since January 23 when the modem and then the inverter went down. He reviewed what happened and how this can be corrected. He contacted Mr. Stu Chang which told him that smaller inverters were being used at other plants to avoid complete shutdowns. To have him design and install the smaller inverters would cost between \$85,000 and \$125,000. The inverters were anticipated to have a life of 10-15 years and are currently under their 10-year warranty.

- **Oil & Gas Lease on Tract 6** – Deputy Manager Vanderwaal reported that the Oil and Gas Lease has been signed by The Termo Company and the District should be receiving the rent payment within the next couple weeks.

- **Colusa Groundwater Agency** – Deputy Manager Vanderwaal gave an update on the Colusa Groundwater Agency.

6. **Manager's Report** – Manager Bair reported that the ad has been placed in local newspapers and on an electronic job posting for the Secretary position that will be open when Ms. Busch retires in early 2019. He is planning on hiring by September which will allow 6 months of cross-training. He also plans to hire an entry level support person in early 2019.

Manager Bair reported that the District will need to act fast if they would like to proceed with a loan to SRWSDL for the Missouri Bend Project. An ad hoc committee with Trustees Reinhard and Miller was setup to review the proposed loan terms. A Special Board meeting was set up for Tuesday, June 26 at 7:30 a.m.

7. **Closed Session** – The Board went into Closed Session at 11:13 a.m. to conference with legal counsel on anticipated litigation. Significant exposure to litigation pursuant to subdivision (b) of section 54956.9 (CalWaterFix Comments, Settlement Contracts, NRDC, SWRCB Settlement Process and Voluntary Agreement, and KLOG). The Board came out of Closed Session at 11:55 a.m. and President Durst reported that no action was taken.

RECESS

The Board recessed for lunch at 11:55 A.m.

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