

**RECLAMATION DISTRICT NO. 108**  
**Minutes of the Regular Meeting**  
**Of the Board of Trustees**

August 16, 2018

President Durst called the Regular Meeting of the Board of Trustees to order at 8:35 a.m. on Thursday, August 16, 2018 at Reclamation District No. 108 headquarters, Wilkins Slough, Colusa County, California.

**Trustees Present:** Fritz Durst, Todd Miller and Hilary Reinhard

**Trustees Absent:** Roger Cornwell and Sean Doherty

**Others Present:**

|                                       |                                   |
|---------------------------------------|-----------------------------------|
| Lewis Bair, General Manager by Phone  | David Alves, Poundstone Bros Rep. |
| William Vanderwaal, Deputy Manager    | John Louden, Colusa Co Supervisor |
| Meegan Nagy, Deputy Manager           | Fred Durst, Landowner             |
| Kevin O'Brien, Legal Counsel by phone | Don Huff, III, Landowner          |
| Gary Marler, Superintendent           | Candy Dormer, Landowner           |
| Cathy Busch, Secretary                | Kim Gallagher, Landowner          |
| Beverly Walls, Bookkeeper             | Alan Ehrke, Landowner             |
| Steve Beckley, Landowner              | Willy Maupin, Water User          |
| Roger Moore, Landowner                | Bill Driver, Landowner            |
| Sarah Charter, Landowner              | Matthew High, Landowner           |
| Nadine High, Landowner                | Dr. Paul Favero, Landowner        |

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

**Open Forum** – President Durst welcomed guests to the Open Forum and asked attendees to introduce themselves. Deputy Manager Vanderwaal reported that all of the landowners should have received surveys regarding the investment into Sites Reservoir Project. He encouraged that the surveys be filled out and submitted to the District for Board use when considering future participation in the project. He also asked that landowners put their name and contact information on the form. If people have questions regarding Sites, please contact him and he can setup a meeting with them.

President Durst reported that the District originally signed up for 20,000 acre-feet of water from the Sites Project. The project will eventually include water storage as a part of the project. He said that during the years the District does not need the water, the water would be stored, therefore, when we do need the water we might have several years of water to call on. The

future annual price of Sites water depends on when you start paying the cost of the project, you could delay repayment until you are receiving water (~\$830 per AF annual debt payment), or pay only interest until you start receiving water (~\$517 per AF annual debt payment). Phase II will cost \$1,045 per acre-foot of debt burden. The Board will have to determine if the cost of Phase II water will be paid by the District as a whole, or, if individuals will invest and pay for that water, or a combination of both. The District will still be allowed to end participation after Phase II. The Sites JPA Members are now rebalancing the project participation since there are districts that are requesting less water or withdrawing completely. If we sign up for less than the 20,000 acre-feet, the District would receive a credit for the difference between payments made on the full amount less the cost of the reduced commitment. President Durst noted that Sites JPA has a waiting list for water that is made available by the reduction of commitments by Northern California water agencies.

President Durst stated that the District will have to determine the amount of water to commit to for Phase II at the October Board meeting. He asked if the Landowners would prefer to have another meeting on Sites, or additional time at the September Board meeting, to discuss this issue. President Durst said that he met with his Landowners and discussed water supplies, all the threats on our water supplies and asked them how much they could afford to invest in future water each year, Sites and/or groundwater. Trustee Reinhard commented that if we lose surface water the basin could be out of balance and SGMA requirements could come into play.

The Public Forum ended at 9:15 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 July 19, 2018 and the Special Landowner Workshop held on July 31, 2018. Trustee Reinhard seconded. Vote: Approved 3 - 0.

**Accounts Payable** – It was moved by Trustee Reinhard to approve the accounts payable: Maintenance Fund in the amount of \$240,804; checks to be ratified issued in July in the amount of \$29,768; on-line payments issued in August in the amount of \$10,314, electronic payments in the amount of \$38,541, and transfers between River City Bank account to Money Market Fund in the amount of \$200,000. Irrigation Fund in the amount of \$699,670 and on-line payments to be ratified in the amount of \$256. Trustee Miller seconded. Approved 3 – 0.

## **BUSINESS ITEMS**

**1. Operations Report** – Superintendent Marler reported on District-wide maintenance. He reported that the squirrel population has intensified steadily throughout the District so staff has increased the number of bait stations in all three Districts. The domestic well pressure tank at the headquarters was replaced. This work was completed by Durham Pump. While spraying around the Sycamore Solar Array, the District caused some damage to Lessee Geer's

tomatoes. The No. 1 pump at the Emery Poundstone Pumping Plant has been pulled and is being repaired by Davis Machine. The pump repairs should be completed within the next two weeks at a cost of \$19,340.

The ability to install a new River gate at Rough and Ready using a coffer dam was precluded due to persistent elevated River levels. As a result, the District changed the approach to working in the wet using divers to install the gate. The work started on Monday, Aug 6 and was expected to take about 7 days.

**2. Update on Dunnigan Water District Management (DWD)** – Deputy Manager Vanderwaal reported that the agreement between the District and DWD was signed effective on July 19, 2018. The DWD Board at their August Board meeting acted to appoint him as their District Manager and alternate representative to the Tehama Colusa Canal Authority (TCCA), Sites Reservoir Committee, Yolo WRA and Yolo GSA. Deputy Manager Vanderwaal asked for Board direction on how he presents himself when participating at other agency meetings, as District Deputy Manager or DWD Manager. He was directed to use which District he is attending the meeting for and to be aware of any possible conflicts between the two districts.

**3. ERC Transfer** – Deputy Manager Vanderwaal reported that the request for Emission Reduction Credit purchase by UC Davis was rescinded for reasons unknown. He asked for Board direction on future offers and level of effort to use when approached with future potential sales. The Board directed staff to setup a purchase amount threshold that could be used to determine if a sale of ERCs should be pursued.

**3. Attorney's Report (Information Report)** – At 10:00 a.m. the Board contacted Manager Bair but were unable to reach Attorney O'Brien so there was no CLOSED SESSION.

**4. Update on Regional Conservation Investment Strategy (RCIS)** – Deputy Manager Nagy gave an update and presentation on the Regional Conservation Investment Strategy program. The RCIS could lead to temporary and long-term credits that landowners can sell for public agency projects. It will also allow existing habitat to be improved and earn credits. The plan can be approved for 10-years at which time RD 108 can decide whether to renew. There is also a current effort to get rice acknowledged as a contribution to habitat.

**5. Potential Water Transfer for 2018** - Deputy Manager Vanderwaal reported that Conway Ranch has proposed a water transfer with the District for 1,500 acre-feet. The terms of the transfer would be \$73 per acre foot, giving the District a net profit of \$18 per acre-foot or about \$27,000. It was moved by Trustee Miller to authorize District staff to move forward with a water transfer of 1,500 acre-feet with a minimum of \$75 per acre-foot with Conway Ranch paying all CEQA costs. Trustee Reinhard seconded. Approved 3 – 0.

## INFORMATION REPORTS

**1. NCWA Report** – President Durst reported on current NCWA activities.

2. **Sites JPA** – Deputy Manager Vanderwaal reported that the Sites Reservoir Committee is just about ready to send out the Request for Proposal (RFP) for the consultants on Phase II. He reported that there are several agencies that are dropping out of the Sites JPA and others are reducing the amount of water they are committing to. There is concern that more water will go to Southern California and impact the cost of the water. Deputy Manager Vanderwaal urged all landowners to fill out and submit the survey.

4. **Public Relations Consultant** – Mr. Steve Beckley had a conflict and could not be at the meeting. He has submitted his report and it is in the Board packet.

5. **Deputy Managers' Report**

- **Deputy Manager Nagy Report** – The Promissory Note from Sacramento River West Side Levee District has been signed for the \$2 million-dollar loan for Missouri Bend. Deputy Manager Nagy reported that the Central Valley Flood Protection Board has set up an annual \$25 million appropriation. It is being proposed that \$12.5 million be directed to local maintaining agencies. The CVFPB is looking to the regions to become more formal so that they can manage the funding in their region and prioritize where the funds should be spent. They are funding a governance study for each region. They are considering funding each LMA for a five-year deferred maintenance plan. Deputy Manager Nagy also reported that DWR has agreed to fund a setback levee at the Missouri South site. This will enable fish habitat to be created on the waterside. She also reported on the Small Community Grant. She said that the hydraulic study has been completed for Colusa, Princeton and Grimes.
- **SGMA Update – Colusa GSA Basin Prioritization Letter** – A copy of the Colusa GSA Basin Prioritization Letter is in the Board packet.
- **Water Efficiency Grant** – Deputy Manager Vanderwaal is meeting with Landowners on the proposed pipeline and the connection to the North Steiner Bend Pumping Plant.
- **Sycamore Slough Solar Plant/PWRPA** – PWRPA continues to negotiate with Westlands Aquamarine and Solar Slate. They are also looking at revising the pooling policy.
- **Project Updates** – Project reports are in the Board packet.

**ADJOURNMENT**

There being no comments from the public and no further business to come before the board, the meeting was adjourned at approximately 11:15 a.m.

Respectfully Submitted

William Vanderwaal  
Deputy Manager