

RECLAMATION DISTRICT NO. 108

Minutes of the Regular Meeting Of the Board of Trustees

September 20, 2018

President Durst called the Regular Meeting of the Board of Trustees to order at 8:35 a.m. on Thursday, September 20, 2018 at Reclamation District No. 108 headquarters, Wilkins Slough, Colusa County, California.

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

Trustees Absent: Roger Cornwell

Others Present:

Lewis Bair, General Manager	David Alves, Poundstone Bros Rep.
William Vanderwaal, Deputy Manager	Fred Durst, Landowner
Meegan Nagy, Deputy Manager	Don Huff, III, Landowner
Kevin O'Brien, Legal Counsel by phone	Candy Dormer, Landowner
Gary Marler, Superintendent	Kim Gallagher, Landowner
Cathy Busch, Secretary	Bonnie Ehrke, Landowner
Beverly Walls, Bookkeeper	Alan Ehrke, Landowner
Roger Moore, Landowner	Tom Ellis, Landowner
Gaby Bichard, Landowner	Seth Williams, Landowner
Matthew High, Landowner	Donald Kitamura, Landowner
Nadine High, Landowner	Mike Andreotti, Landowner
Mark VanKamp, MBK Engineers	Kyle Knutson, MBK Engineers

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

Open Forum – President Durst welcomed guests to the Open Forum and asked attendees to introduce themselves. Deputy Manager Vanderwaal reviewed the Sites Reservoir Survey. He reported that the District received 37 Surveys back with 22 voting yes to the District investing in Sites. Approximately 23,106 of the 40,000 acres reporting with the average acre-feet of 4,595 participation. Deputy Manager Vanderwaal reported that 11 surveys were submitted with no name or way of identifying the landowner. If you believe that you could be one of the surveys with no name, please fill out another survey. October will be a very important Board meeting with the Board taking action on investing in Phase II of the Sites Project by addressing the following questions; 1) Should the District invest at all, 2) If yes, should this be a District-

wide investment or a landowner specific investment, and finally, 3) What volume should be requested.

President Durst reported that the Sites Reservoir will include storage of water. What that means to the District is that the District can store water and use it during the severe drought years.

President Durst reported that the federal government is seeing the benefits that Sites could have for fish and might take the share of water that the State did not want. It will be important that Sites JPA keeps control of the Project and the federal government is treated just like any other water contractor. He asked landowners to contact District staff or Board members with comments and concerns about the Sites Project since a decision will be made at the October Board meeting. There was also discussion regarding off-ramps from Sites Project during Phase II and impacts to the District. Landowner Ellis recognized President Durst, Manager Bair and Deputy Manager Vanderwaal for all their time and efforts on Sites Project and would like to see the District stay involved but at a significantly lower volume than the current 20,000 acre-feet. President Durst suggested that he work with Deputy Manager Vanderwaal to review the Phase II agreements and find the off-ramps and the conditions attached to the off-ramp.

Manager Bair reported on Fall Water. He reminded Landowners and Water Users that the District's starting Nov 1 all diversions are under our junior winter water right permit and subject to Term 91. He said that if you feel you need to do a post irrigation you might want to run water prior to November 1 which is under our contract and not subject to Term 91 curtailment. He asked that Water Users spread out October water diversions throughout the month if possible

The Public Forum ended at 9:34 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 August 16, 2018. Trustee Doherty seconded. Vote: Approved 3 - 0.

Accounts Payable – It was moved by Trustee Doherty to approve the accounts payable: Maintenance Fund in the amount of \$212,249; online payments to be ratified issued in September in the amount of \$11,765; on-line electronic payments issued in September in the amount of \$11,260, and transfers between River City Bank account to Money Market Fund in the amount of \$160,000. Irrigation Fund in the amount of \$616,018 and on-line payments to be ratified in the amount of \$67,398. Trustee Miller seconded. Approved 3 – 0.

BUSINESS ITEMS

1. **Operations Report** – Superintendent Marler reported on District-wide maintenance. He reported that staff cleaned 10E1 Drain along Lodi Road. An elevated dirt roadway/berm along the northwest side of Canal WS10 was constructed to prevent seepage that makes the levee road in-passable when it is wet. The District has settled on a payment of \$1,732.50 to Geer Ranch for loss of tomatoes due to chemical overspray at Sycamore Solar Plant. National Marine Fisheries Services (NMFS) had divers out to inspect fish screens at Emery Poundstone Pumping Plant and Wilkins Slough Pumping Plant with both pumping plants passing. District staff have begun to apply gravel on the levees for the Flood System Repair Program (FSRP).
2. **ERC Transfer** – Deputy Manager Vanderwaal reported that another entity has approached the District regarding the sale of 10-ton NOX ERC's at \$25,000 per ton. After discussion, it was moved by Trustee Miller to authorize Deputy Manager Vanderwaal to negotiate a sale of 10-ton NOX Emission Credits at a minimum of \$30,000 per ton with an initial counter offer of \$32,000 per ton. Trustee Doherty seconded. Approved 3 – 0.
3. **Sites Survey Results** – Deputy Manager Vanderwaal reported on the Sites Reservoir Project Phase II. He reviewed the revised participation report showing Phase II approximately 236,000 acre-feet instead of the Phase I total of 404,411. This reduction in participation also impacts the estimated interest cost from \$60 to \$86.51 per acre-foot and debt obligation up to \$1,522 per acre-foot. Trustee Doherty asked if the Project could be insured? In response Deputy Manager Vanderwaal said that he would work with the Project Manager to see if it could be insured, and if so at what cost.

INFORMATION REPORTS

1. **NCWA Report** – Manager Bair reported on current NCWA issues. He said that NCWA will be holding a reception on October 18 at the Matchbook Winery located in the Dunnigan Hills from 4:00 p.m. to 11:00 p.m.
2. **Sites JPA** – Nothing further to report at this time.
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** – Deputy Manager Nagy gave an update on the currently flood control projects.
 - **Deferred Maintenance** - DWR is currently doing a geophysics survey for the sites where no pipes were found, looking for any residue that might show that there was a pipe there at one time.
 - **Flood Maintenance Assistance Project** – Deputy Manager Nagy reported that the Flood Maintenance Assistance Project would help locals fund more maintenance for flood control. The funding needs may be prioritized by the and the regions would be able to direct the funding as needed.

- **Small Communities** – Met with Colusa County Flood Ad hoc Committee and with Landowner Armstrong from Grimes. A Public meeting will be held during the SRWSLD to be held in Colusa on November 14.
- **Central Valley Flood Protection Board (CVFPB)** – The CVFPB is currently trying to add fees to encroachment permits. These fees would also include an annual fee. This issue is currently being watched closely by Attorney Shapiro, Downey Brand.

Deputy Manager Vanderwaal Report -

- **Water Efficiency Grant** – Deputy Manager Vanderwaal reported that he met with two landowners who expressed their concern regarding removing the pumping plant at N. Steiner Bend. They felt that if we removed the pumping plant the District would lose the diversion permanently.
- **Office Remodel** – The Project report shows the Project Budget and actual costs to date. Items left are the landscaping and pictures. The landscaping is scheduled to be planted on October 10.
- **Dunnigan Water District (DWD) Management** – Deputy Manager Reported on the status of the District taking on the Management of DWD. He said that he has officially taken on the role of Manager. Ms. Donita Hendrix has agreed to stay on as part-time until RD108 has taken over all administrative functions. Manager Bair reported that three landowners called him regarding the District taking on the Management of DWD. He let the landowners know that the District would take action in November to determine if they intend to continue management of DWD and they should share their concerns with the Trustees as sharing them at the November Meeting.
- **Project Updates** – Reports are in the Board packet for Board review.

6. Manager's Report – Manager Bair reported that Conway Ranch apparently diverted less water than anticipated and ultimately did not need to purchase any water. He reported that the District is still in the process of hiring Office staff. We will revisit applications on hand next week. He reported on the status of the Wallace Weir Project. DWR will pay the District to continue to run the facility.

3. Attorney's Report – The Board went into CLOSED Session at 11:05 a.m. to conference with Legal Counsel – existing litigation (Paragraph (1) of subdivision (d) of Section 54956.9. Two cases: (1) Natural Resources Defense Council et al v. Zinke; and (2) adjudicatory proceeding before the State Water Resources Control Board regarding California Water Fix Project.

Conference with Legal Counsel – Anticipated Litigation Based on existing facts and circumstances, the Board of Trustees has decided to initiate or is deciding whether to initiate litigation (Paragraph (4) of subdivision (d) of Section 54956.9) (two potential cases). The Board came out of Closed Session at 12:00 p.m. and President Durst announced no action was taken.

ADJOURNMENT

There being no comments from the public and no further business to come before the board, the meeting was adjourned at approximately 12:05 a.m.

Respectfully Submitted

William Vanderwaal
Deputy Manager