

RECLAMATION DISTRICT NO. 108

Minutes of the Regular Meeting Of the Board of Trustees

November 15, 2018

President Durst called the Regular Meeting of the Board of Trustees to order at 8:30 a.m. on Thursday, November 15, 2018 at Reclamation District No. 108 headquarters, Wilkins Slough, Colusa County, California.

Trustees Present: Fritz Durst, Roger Cornwell, Todd Miller and Sean Doherty

Trustees Absent: Hilary Reinhard

Others Present:

Lewis Bair, General Manager	Gage Howser, Hutchinson Capital Invest.
William Vanderwaal, Deputy Manager	Khara Strum, Audubon
Meegan Nagy, Deputy Manager	Fred Durst, Landowner
Gary Marler, Superintendent	Perry Charter, Landowner
Kevin O'Brien, Legal Counsel	Paul High, Landowner
Cathy Busch, Secretary	Nadine High, Landowner
Beverly Walls, Bookkeeper	Eli Nagy, Public
Jordon Navarrot, Staff	Giana Nagy, Public

Agenda – It was moved by Trustee Doherty to approve the agenda as submitted. Trustee Cornwell seconded. Approved 4 – 0.

Open Forum – President Durst welcomed guests to the Open Forum and asked that each attendee introduce themselves. He introduced Ms. Khara Strum from California Audubon. Ms. Strum invited all to a Lunch and Learn on the Farm event on December 7 at River Garden Farms. This event will allow you to learn about opportunities to enhance your land, connect with conservation practitioners and technical advisors and network with other farmers. Ms. Strum also reviewed other projects that Audubon has and potential project funding. She asked that if anyone was interested in attending, please RSVP to her. Manager Bair commented that we need to work on coordinating the different programs, such as the bird and fish programs, so we can all work together and better use our water efficiently and where it benefits all the best.

Deputy Manager Vanderwaal reported on Dunnigan Water District (DWD) management. He reported that Mike Ludovina has trained to backup the waterman position in DWD. Currently Ms. Donita Hendrix is working two six-hour days a week and will start training District Administrative staff as soon as the District hires the new staff. Deputy Manager Vanderwaal expressed his concern with potential water transfers, citing that would be one area for conflict of interest and described the planned approach would be for DWD Board Members to take on

any responsibility to execute water transfers that might conflict with RD-108. Manager Bair reported that Deputy Manager Vanderwaal has been attending the Tehama-Colusa Canal meetings and that he is finding it very beneficial to see the different sides of the valley and is starting to understand the varying issues. He said that he has had two landowners call him with concerns about District staff and quality of service to District landowners and water users with the District taking on more with Dunnigan Water District management.

Mr. Jordon Navarrot reported on the current water restrictions the District is facing for fall water deliveries. He reminded the Board that Fall Water is a very junior water right. He said that approximately 8,000 acres have been signed up for winter water with only 1,800 acres completed. The Bureau of Reclamation (Bureau) is requiring that the District stop diversions if the water flowing past Wilkins Slough is less than 4,000 cfs. It is hoped that the District will be able to resume diversions by December 1st. He asked the Board for direction on how to proceed with flooding the remaining acres not yet completed or started. Superintendent Marler reported that there is currently a waiting list, he suggested that those fields that have started and not completed could be started first with no maintenance water offered. Mr. Navarrot reported that the District will be held to a 240 cfs max diversion, but that the District can recycle water and add that to the total amount of water available. Manager Bair estimated that the District could flood about 500 acres per day and could finish flood-up before Christmas. In response to a question, it was noted that riparian fields are not subject to these restrictions.

Manager Bair asked the Board for a date to hold a Landowner Meeting on the Sites Reservoir Project. He reminded the Board that the Finance Committee used 5,000 acre-feet for District budgeting purposes and only looked at a one-year commitment with an asking of about \$60 per acre-foot.

The Public Forum ended at 9:15 a.m.

ADMINISTRATION

Public Participation: There was no Public Participation 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 22, 2018. Trustee Doherty seconded. Vote: Approved 4 - 0.

Accounts Payable – It was moved by Trustee Cornwell to approve the accounts payable: Maintenance Fund in the amount of \$124,718; checks issued in October to be ratified in the amount of \$1,733; online payments to be ratified issued in November in the amount of \$10,935; on-line electronic payments issued in November in the amount of \$18,528. Irrigation Fund in the amount of \$115,404; and on-line electronic payments to be ratified in the amount of \$9,932. Trustee Miller seconded. Approved 4 – 0.

BUSINESS ITEMS

1. Operations Report – Superintendent Marler reported on District-wide maintenance. He reported that Davis Machines has completed repairs on Emery Poundstone Pumping Plant Pump No. 1 and it was reinstalled Tuesday, November 13. The vibrations with Wilkins Slough Pumping Plant Pump No. 5 has been resolved. The VFD unit was not compatible with Pump No. 5. The VFD Unit was moved to another pump and Pump No. 5 is operating without any adverse effects. The District delivered Pump No. 6 at Wilkins Slough to CPM to be repaired, where it was found that both the tail bearing and impeller were both worn out.

The Board commended Equipment Operator Tony Lomeli on cleaning canal and drain work he does within the District.

President Durst stepped out of the meeting at 9:30 a.m. and Trustee Cornwell took over the meeting.

2. Dunnigan Water District Management – Manager Bair reported that if the District takes action to continue to manage DWD it would be for the term of one year. After discussion, it was moved by Trustee Doherty to express intent to continue management of Dunnigan Water District. Seconded by Trustee Miller. Approved 3 – 0.

3. Proposed Fall Water for Bird Projects – Manager Bair reported that at this time there is no funding for Fall Bird Projects.

4. Adopt Resolution No. 18-05 in the Matter of Adopting the 2018 Yolo County Hazard Mitigation Plan - Deputy Manager reported that Yolo County updates its Hazard Mitigation Plan every five-years. By the District adopting this Plan it will be able to apply to FEMA for grants. After discussion, it was moved by Trustee Doherty to adopt RESOLUTION NO. 18-05 in the matter of adopting the 2018 Yolo County Hazard Mitigation Plan. RESOLUTION NO. 18-05 is attached hereto and made a part hereof.

5. Review and Comment on Proposed 2019 Preliminary Financial Budgets for Maintenance and Irrigation Funds and Projects – The Board reviewed the 2019 Irrigation Preliminary Budget. Manager Bair reported that the Finance Committee was recommending no increase for water rates in 2019. Trustee Doherty agreed with the Committee but wanted it noted that Water Users should be made aware that there will be a large rate increase for 2020.

President Durst returned to the meeting at 9:50 a.m. and presided over the meeting.

The Board reviewed the 2019 Maintenance Preliminary Budget. Manager Bair pointed out the net loss total. The Budget includes approximately \$85,000 carryover pump repairs from 2018 and approximately \$200,000 for 2019 repairs. The Board reviewed the 2019 Project report. Manager Bair asked that the Board review budgets for action at the December Board meeting.

6. Employee Handbook – No action was taken. Attorney Dan McVeigh will be contacted regarding a question regarding timecards with lunch and break times listed on timecard. It was the consensus of the Board to move this matter to the December Board meeting.

INFORMATION REPORTS

- 1. NCWA Report** – Trustee Cornwell reported on current NCWA activities.
- 2. Sites Reservoir Report** – Deputy Manager Vanderwaal reported that the budget for 2019 Sites Reservoir Project is \$40 million. This will be raised by a cash call of \$60 per acre-foot. The Sites General Manager Jim Watson is looking for quantity commitment in December. A Landowner Meeting was set for December 14 at 9:00 a.m.
- 3. Attorney's Report** – The Board went into Closed Session at 10:30 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, KLOG) and existing litigation Paragraph (1) of subdivision (d) of Government Code Section 54956.9 Name of case: Natural Resources Defense Council et al. V. Zinke. The Board came out of Closed Session at 11:00 a.m. and President Durst announced no action taken.
- 4. Deputy Manager's Report** – Deputy Manager Vanderwaal reported on Side Channel Projects. He said that the Sacramento River Settlement Contractors are establishing a Funding Agreement with the Bureau through SAVER (River Garden Farms nonprofit) to re-establish side channel habitat as part of the CVPIA over the next five years. Completing these projects through SAVER will allow for our crews time to be reimbursed. The District has been contacted by Tehama County RCD to help with the Rio Vista Side Channel in January 2019, at an estimated cost of \$61,436.

Deputy Manager Vanderwaal reported on PWRPA activities. PWRPA is considering revising its pooling method to allow participants more control of their costs by re-operating their load demands. He suggested investigating power storage at Sycamore Slough Solar Plant and other possible methods of combining loads to reduce the power rates.

Deputy Manager Nagy reported that there was a small turnout for the meeting for Small Community Grimes meeting. She also reported that the Deferred Maintenance project inspections will be begin in the Spring.

- 5. Manager's Report** – Manager Bair reported that he had nothing further to report.
- 6. Investment Report** – Mr. Gage Houser, Hutchinson Capital Investments, entered the meeting at 11:45 a.m. to review the District's reserved funds. He reviewed the current investments with a projected annual income of \$289,000. The average Yield to Maturity is 2.62

percent. He reviewed the safety, liquidity and yield of the investments. He also reviewed Hutchinson Capital Investments buy and hold strategy.

ADJOURNMENT

There being no comments from the public and no further business to come before the Board, the meeting was adjourned at approximately 12:35 p.m.

Respectfully Submitted

Lewis Bair
General Manager