

RECLAMATION DISTRICT NO. 108

Minutes of the Regular Meeting

Of the Board of Trustees

March 20, 2014

President Durst called the Regular Meeting of the Board of Trustees to order at 8:30 a.m. on Thursday, March 20, 2014 at Reclamation District No. 108 headquarters, Wilkins Slough, Colusa County, California.

Trustees Present: Fritz Durst, Mike Miller, Sean Doherty, Jon Leonard and Roger Cornwell

Trustees Absent: None

Others Present: Lewis Bair, General Manager
Bryan Busch, Asst. Manager
Chad Navarrot, Operations Manager
Cathy Busch, Executive Secretary

16 Landowners/Water Users
(see attached sign-in sheet)

Agenda – On motion by Trustee Miller, seconded by Trustee Cornwell the Agenda was approved as presented.

OPEN FORUM

President Durst opened the Forum for discussion with Landowners and Water Users. Manager Bair gave an update on the water situation. Until the District hears further the 2014 water program will be based on 40 percent water supply. Manager Bair reported that there were several efforts to reduce Delta requirements and ease up some water supplies.

President Durst gave a report on the Sites Reservoir. HR-4300, has been introduced by Congressman Lamalfa and if passed would help get the Sites Reservoir Project started.

ADMINISTRATION

Public Participation: There was no further public participation.

Consent Agenda – After discussion, it was moved by Trustee Miller, seconded by Trustee Doherty and unanimously approved to approve the consent agenda as presented with one editorial correction on the minutes of the February 20, 2014 Board Meeting.

Accounts Payable

After discussion, it was moved by Trustee Doherty, seconded by Trustee Cornwell and unanimously approved to approve the March Accounts Payable: Maintenance Fund in the amount of \$710,105, payments issued in February/March to be ratified totaled \$74,441 and on-line payments to be ratified in the amount of \$31,247; and Irrigation Fund in the amount of \$372.13 and online payments totaling \$2,047.

BUSINESS ITEMS

1. Operations Report – Operations Manager Navarrot reported that the groundwater production wells have been completed except for a small punch list. The El Dorado Pumping Plant should be completed and ready for the irrigation season by mid-April. District staff has “spot checked” the Water Measurement facilities and the components seem to work.

Operations Manager Navarrot asked the Board if the old grader could be given to the Heidrick Museum or sold if there was no Museum interest since it is sitting in the yard and getting weathered. After discussion, it was the Board consensus to move this to the April Board meeting.

2. Review of 2014 Drought Planning

- **Drought Planning Update** – Manager Bair reported that the District needs to send all Landowners and Water Users the District’s Drought Policy and what their water supply will be for 2014 after Reclamation announces the final allocation. He said that it will be important for Water Users to meet with Assistant Manager Busch to review their planting plans and water supply. The District will be using an applied water rate for all crops. There was discussion regarding a lower water usage for young trees, backed by a University of California study. After further discussion, it was moved by Trustee Doherty, seconded by Trustee Miller and unanimously approved, the District allowed young orchards to use a lower ET than a mature orchard.

- **Water Transfer** – President Durst reported that he talked to Ms. Sandy Sanchez, USDA regarding how water transfers would impact District Water Users’ crop insurance. (The questions and answers from Ms. Sanchez are attached hereto and made a part hereof.) Landowners and Water Users expressed concern that these water transfers would set precedence for future years. Attorney O’Brien pointed out No. 9 on Resolution No. 14-03 in the matter of Water Transfers that this would apply only to 2014 and would not constitute a precedent for future water transfers. Trustee Miller expressed his concern that the District was alone in transferring water outside the District and asked what advantage would the District receive. Attorney O’Brien said that the Water Code states that as long as the water transfer does no harm to anyone else you can transfer water. He suggested that the District could setup

the policy that any water available for transfer gets offered to District landowners first, offered at the same price. The policy concern is that someone might purchase land in RD108 in order to sell water during a drought, thus moving that water out of area. It is important that transferred water is limited to lands in the vicinity of the District and tied to the basin. Trustee Miller suggested that if the Board decides to allow water transfers that it should go to a vote of the Landowners. Attorney O'Brien cautioned the Board that if any member will have any financial gain regarding this matter that they should abstain from the vote. After further discussion, it was moved by Trustee Cornwell, seconded by Trustee Doherty to adopt RESOLUTION NO. 14-03 in the matter of Water Transfers. The motion passed 4 to 1 in favor of the resolution with Trustee Miller opposing.

District staff was directed to send out notice to Landowners and Water Users to see what interest there is in participating in a water transfer. The Board proposed a priority for the water transfers; 1st priority to District Landowners; 2nd priority would be to Colusa County Water District and Dunnigan Water District; 3rd priority to Westside Water District and 4th priority to the Tehama-Colusa Canal. After further discussion, it was moved by Trustee Cornwell, seconded by Trustee Doherty and unanimously approved to amend RESOLUTION NO. 14-03 to add the priorities listed above. Attorney O'Brien recommended that water agreements for these water transfers include indemnity language.

3. Colusa County Groundwater Memo of Understanding – Manager Bair reported that Colusa County sent out a draft Memorandum of Understanding potentially formalizing a relationship between the County of Colusa, Water Districts, Groundwater Users, Public Utility Districts and Cities regarding the coordination, collaboration and communications of Water Resources Management. The County is seeking comments by April 1. Once the draft has been finalized they will be sending it back to all participants for execution. Landowner Jim Erdman, member of the Colusa County Groundwater Commissioner, stated that this was an effort to get all participants to work together on groundwater. Manager Bair was directed to submit the appropriate comments.

4. Shore Bird Project – The Nature Conservancy has a Shore Bird Project that provides funding for habitat for Shore Birds. This program would help Water Users pay for water to flood rice fields prior to April 1. After discussion, it was moved by Trustee Miller, seconded by Trustee Cornwell and unanimously approved to ratify the agreement between the District and the Nature Conservancy to flood Shore Bird habitat.

5. Notice of Intent for District-wide Maintenance – Manager Bair reported that the District files a Notice of Intent for District-wide Maintenance each year with both Yolo and Colusa Counties. After discussion, it was moved by Trustee Miller, seconded by Trustee Leonard and

unanimously approved to adopt a Notice of Intent for District-wide Maintenance and to direct Manager Bair to do all things needed to file the NOI with both Yolo and Colusa counties.

6. Resolution 14-04 in the matter of Approval, Execution and Administration of Grant Funding Agreement for DWR Flood Emergency Response Grant – Manager Bair reported that the District has taken the lead on the DWR Flood Emergency Response Grant. Resolution NO. 14-04 seeks authorization to administer the grant. After further discussion, it was moved by Trustee Cornwell, seconded by Trustee Miller and unanimously approved to adopt RESOLUTION NO. 14-04 in the matter of Approval, Execution and Administration of Grant Funding Agreement for DWR Flood Emergency Response Grant. RESOLUTION NO. 14-04 is attached hereto and made a part hereof.

7. Consideration to Finance KLRDD Local Share EIP – Manager Bair gave a brief report on the KLRDD EIP Project and said that the Project should go to construction this year. He said that KLRDD is seeking funding to pay part of their local share and the cash flow issues that might arise during construction. After discussion, it was moved by Trustee Doherty, seconded by Trustee Miller to offer to purchase Warrants from KLRDD for the construction of the EIP Project at an interest rate of 7 percent as required by law. The motion passed with Trustee Leonard voting for and Trustee Cornwell abstaining.

CLOSED SESSION

The Board went into Closed Session at 10:45 a.m. to confer with Legal Counsel regarding a potential litigation pursuant to subdivision (b) of section 54956.9. The Board came out of Closed Session at 11:30 a.m. and President Durst reported that no action was taken.

INFORMATION REPORTS

NCWA Report – Trustee Cornwell reported on the NCWA Annual Meeting.

Sites JPA – President Durst reported on the Sites JPA.

Attorneys Report – Attorney O'Brien said that he had nothing further to report.

Assistant Manager's Report - Assistant Manager Busch reported that the electrical connection for the Groundwater Well on Tract 6 should be completed before May.

Manager's Report - Manager Bair reported previous water bond funding was being accelerated and this could present a funding opportunity for the Water Bank Program.

RECESS

At 11:45 a.m. the meeting recessed for lunch. Those present at the meeting were invited to join the Board for lunch. The meeting reconvened at approximately 12:15 p.m.

ADJOURNMENT

There being no comments from the public and no further business to come before the Board, the meeting was adjourned at approximately 12:15 p.m.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Lewis Bair".

Lewis Bair
Secretary/Manager

<jeff.yasui@rma.usda.gov>

Hi Fritz,

Hopefully this answers your questions. Feel free to call our office back if you have additional questions to myself, James Otto, or Robert Smith at our mainline: 530-792-5870.

1. If the District allows transfers out of our district and an individual participates in the transfer program, will it make other producers with crop insurance ineligible for claims this year?
 - a. NO. Crop insurance is based on individual policies. What one producer decides to do with their water will not affect another producer's claims.
2. If the District sells available water making that water unavailable to producers to plant, will it affect a producer's insurance claim?
 - a. YES. If water is not available because the District made the decision to sell all available water, then that allotted water would not have an insurable cause of loss.
3. If the district allocated only 40% water supply to a producer, and the 40% could plant 100 acres, a grower could collect PP on 60 acres?
 - a. YES
4. If a grower transfers a portion or all of their reduced supplies, is the grower eligible for prevented planting?
 - a. If transferred to a third party, the grower is not eligible for prevented planting on the acreage equivalent of the transferred supply, but is eligible on the acreage equivalent of the reduced supplies.
 - b. Water transferred to a grower's own crops (other crops), even if in another district, may not impact the growers eligibility for a prevented planted payment. Producers should immediately notify their Crop Insurance Agent and Approved Insurance Provider if they intend to divert irrigation water.

Best wishes,

Sandy Sanchez
Deputy Director
USDA-RMA, Davis RO
530-792-5890

From: Fritz Durst [<mailto:fritz.durst@gmail.com>]

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	Name (Please Print)	Check if you want minutes & Agenda sent	Telephone Number/Email Address
	Deke Dörner		DK Dörner@yahoo.com
	CAMIE KAGLIN		CAMIEKAGLIN@YAHOO.COM
	Mike Amadori		

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	Name (Please Print)	Check if you want minutes & Agenda sent	Telephone Number/Email Address
	Candy Dornier	✓	cdornier@zol.com
	Rob Meyer		rAcemey@pacbell.net
	CAROL OMBROSI		
	Bart Kupfer		
	Scott West		
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	FEDERICO PEREZ		

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	Name (Please Print)	Check if you want minutes & Agenda sent	Telephone Number/Email Address
	DON HUFF, JR		662-1442
	Fred Durst		437-2263
	Darrin Williams		682-8422
	Tom Ellis		908-9352
	Tom Hayes		681-1504
	Marty strippling		681-5216

