

RECLAMATION DISTRICT NO. 108

Minutes of the Regular Meeting

Of the Board of Trustees

December 21, 2017

President Durst called the Regular Meeting of the Board of Trustees to order at 8:30 a.m. on Thursday, December 21, 2017 at Reclamation District No. 108 headquarters, Wilkins Slough, Colusa County, California.

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

Trustees Absent: None

Others Present:	Lewis Bair, General Manager	Steve Beckley, PR
	William Vanderwaal, Deputy Manager	Don Huff Jr, Landowner
	Meegan Nagy, Deputy Manager	Blair Voelz, Landowner
	Gary Marler, Superintendent	Kim Gallagher, Landowner
	Kevin O'Brien, Legal Counsel	Don Huff, III Landowner
	Cathy Busch, Secretary	Jon Leonard, Landowner
	Beverly Walls, Bookkeeper	

Agenda – It was moved by Trustee Reinhard to approve the agenda as submitted. Trustee Doherty seconded. Approved 5 – 0.

Open Forum – President Durst welcomed Trustee Todd Miller to the Board and congratulated Trustee Reinhard on being reelected to her seat. President Durst suggested that the Board hold a Board Workshop to set goals and directions for the District during 2018. Manager Bair reported that he met with Joe Lauwerijssen to discuss how he can become more involved with the District. It was suggested that he participate in the NCWA Water Leadership Program in 2018 and he agreed.

Manager Bair reported that the District will be required to make a firm commitment regarding the quantity of water from Sites during the next six-months. The cost of the Project to the District will also increase substantially in 2018 based on water commitment. It was suggested that several meetings be held to help provide information to Landowners so that they can make decisions based on accurate information and what path the District should take including options such as, district wide, individual (opt-in) or no participation. At this time, there are still significant uncertainty in how much Sites water will cost. Deputy Manager Vanderwaal asked what information the Landowners would like to have in order to make a decision. Deputy Manager Vanderwaal reviewed the magnitude of cost based on the water commitment. Staff

was directed to prepare a cost loaded schedule for Sites. It should include inflation and a timeline of investments.

Manager Bair reported that the State Water Contractors are looking into a possible water transfer this year because of the limited storage at Orville as a result of the damage to the emergency spillway. He reviewed the District's magnitude of ability to transfer, should it move forward.

Manager Bair reported on the Bay Delta Water Quality Control Plan's ongoing effort to develop a Voluntary Settlement Agreement. The Settlement Contractor's first goal was to provide a draft proposal to the State Water Board on or before December 15. We should know within the next three months if a deal can be made. The Governor has appointed Bruce Babbitt as a facilitator for this matter and he is requesting information that the Settlement Contractors can provide.

Deputy Manager Vanderwaal gave a status report on the CoSu power line proposal. There are three proposed routes that have Landowners from each route protesting the installation. He said that Family Water Alliance is contemplating a lawsuit.

The Public Forum ended at 9:35 a.m.

ADMINISTRATION

Public Participation: There were no further comments from the Public 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 November 16, 2017. Trustee Doherty seconded. Vote: Approved 5 - 0.

Accounts Payable – It was moved by Trustee Doherty to approve the accounts payable: Maintenance Fund in the amount of \$1,143,942; on-line payments issued in December in the amount of \$52,453, checks issued during November and December in the amount of \$844,529 and transfers between River City Bank account to Money Market Fund in the amount of \$200,000 to be ratified. Irrigation Fund in the amount of \$42,229 and online payments to be ratified in the amount of \$4,530.

BUSINES ITEMS

1. Operations Report –Superintendent Marler reported on on-going maintenance in the District. Staff preformed erosion control on Canal WS2 and raised the road on the 12C Extension Canal to prevent damage to the concrete liner. Landowners with levee encroachments on their property were requested to ensure that all gates are closed in preparation of the storm season. Water meters were installed at the Lateral 8 Pumping Plant

to provide an improved source of measurement of recycled water. Prior to installation of the meters, it was hard to obtain accurate flows due to the variable speed pump.

2. Lake California Side Channel Project – Deputy Manager Vanderwaal reported that the final permits were received December 8. The District provided a crew of five and Provident ID and Princeton-Cordora-Glenn ID each provide one crew member and the work was completed on Tuesday December 19. The Tehama RCD has requested that we assist in the revegetation effort. This will be accomplished as soon as possible with a crew of three or four for one day of work. Once the planting has been completed, Deputy Manager Vanderwaal will provide a cost report for the Project to the Board. He commended staff on a job well done.

3. Westland's Water District Solar Investment - AquaMarine – Deputy Manager Vanderwaal reported on Westland's Water District Solar Park Project that PWRPA members were invited to invest in. After discussion, it was moved by Trustee Cornwell to invest in the Westland's Solar Park Project at 0.3 MW. Trustee Reinhard seconded. Approved 5 – 0.

4. Tract 6 Oil and Gas Leases – Deputy Manager Vanderwaal reported that the District received only one bid for the Tract 6 Oil and Gas Lease. President Durst opened the closed bid and read the terms to the Board, which complied with the Bid Requirements. After discussion, it was moved by Trustee Cornwell to adopt RESOLUTION NO. 17-13 in the matter of Entering into Lease for Exploration and Production of Oil, Gas and Other Hydrocarbons and awarding the agreement to The Termo Company for a term of three years at \$25 per acre and a 20 percent royalty. Trustee Doherty seconded. Approved 5 – 0.

5. Adopt Resolution No.17-14 for Mid Upper Sac River Regional Flood Response Plan Phase III – Deputy Manager Nagy reported that there is funding available for the Emergency Flood Response Plan for Plan update and additional training. KSN will submit the funding application and complete the Project. It was moved by Trustee Cornwell to Adopt RESOLUTION NO. 17-14 in the matter of Authorizing Grant Application for DWR Statewide Flood Emergency Response Grant Program – Round III for Mid-Upper Sacramento River Regional Response Plan and to direct Deputy Manager to do all things to complete the Grant Application; and to sign and file application, and to take all actions necessary or appropriate to obtain the grant funding. Trustee Miller seconded. Approved 5 – 0.

6. Adopt Resolution No. 17-15 in the matter to Accept Funds for a State-Federal Flood Control System Modification Program Titled DMP-2017 RD108-01 Adopt – Deputy Manager Nagy reported that there is 100 percent funding available for Deferred Maintenance Projects. The District has eight pipes that qualify for the program. The funding will only pay for inspection at this time. It was moved by Trustee Doherty to Adopt RESOLUTION NO. 17-15 in the matter of accepting funds for a State-Federal Flood Control System Modification Program Project titled: DMP-2017-RD108-01 Adopt and to authorize Deputy Manager to sign a Project Agreement with DWR and to sign requests for disbursements to be made under this Funding Agreement. Trustee Cornwell seconded. Approved 5 – 0.

7. Emergency Operations Plan – Deputy Manager Nagy reported that the Emergency Operations Plan is required to be updated and readopted every two years or after a flood event. She said that she worked with KSN, Inc. to review the current plan and see where the Plan could be improved. The most significant change in the Plan was to change the trigger points: at 33-feet at the Knights Landing gauge, patrol every three days; 34 ½-feet daily patrols; and 37-feet or 34 ½-feet with 20 mph wind, 24-hour patrol. It was moved by Trustee Cornwell to adopt the revised Emergency Operations Plan as submitted. Trustee Miller seconded. Approved 5 – 0.

8. Adopt RESOLUTION NO. 17-16 in the Matter of Assigning an Authorized Agency Official for Emergency Resolution – Deputy Manager Nagy reported that the District needed to appoint an Agency Official that would declare an emergency in the event a majority of the Board of Trustees was not available. The Board would have seven days to ratify the action. It was moved by Trustee Cornwell to adopt RESOLUTION NO. 17-16 in the Matter of Assigning an Authorized Agency Official for Emergency Resolution to the General Manager and if he was not available then the Deputy General Manager. Trustee Reinhard seconded. Approved 5 – 0.

9. Review and Adopt 2018 Preliminary Budget and Amend 2017 Budget as Needed – Manager Bair reviewed the 2018 Preliminary Budget for Maintenance Fund, Projects and Irrigation Fund. He also reviewed the Five-Year Budget. Looking at the Five-Year Budget he recommended water rates be adjusted in 2019. It was moved by Trustee Cornwell to adopt the 2018 Preliminary Budgets for the Maintenance Fund, Projects and Irrigation Fund as presented. Trustee Doherty seconded. Approved 5 – 0.

Manager Bair reported that amending the 2017 Budget was also on the Agenda. He pointed out that the month of December was estimated and suggested that we hold action on this matter until the January Board meeting. The Board concurred.

10. Adopt RESOLUTION NO. 17-17 in the Matter of Recognizing Max Sakato for his Contributions to the Sacramento Valley Flood Control – The Board wanted to recognize and pay tribute to Max Sakato for his distinguished service to Northern California and his leadership and devotion in both Water and Flood Control issues. It was moved by Trustee Cornwell to Adopt RESOLUTION NO. 17-17 in the Matter of honoring Mr. Max Sakato. Trustee Reinhard seconded. Approved 5 – 0.

INFORMATION REPORTS

1. NCWA Report – Trustee Cornwell reported on current activities of NCWA. He said that this was an election year for NCWA directors and stated that he would be interested in continuing to represent the District. It was moved by Trustee Miller to have Trustee Cornwell

represent the District at NCWA. Trustee Doherty seconded. Approved 5 – 0. President Durst commended Trustee Cornwell for his service on the NCWA Board.

2. Sites JPA – President Durst gave a status report on the Sites JPA. He reported that he was appointed Chairman of the Board, Vice Chair is Gray Alan and Treasurer is Jamie Traynham. The JPA is currently working through the comments on the environmental document. A meeting is being setup with Director Bonham, California Department of Fish and Wildlife Service, to discuss their comments. The JPA should hear by June if Proposition 1 Funding was awarded to Sites and if so, how much funding will be made available.

3. Communications Consultant – Mr. Steve Beckley asked that staff let him know when tours are planned so that he can take pictures if the Board so desires. He reported on Projects he took pictures of and postings on Facebook and Twitter. Present Durst thanked Mr. Beckley for his service to the District in getting our story out to the Public.

4. Policy Ad Hoc Committee Report – Trustee Reinhard reported that staff continues to make progress and should have something soon for the Board to review.

5. Deputy Manager's Report – Deputy Manager Nagy reported that all the repairs have been made on the Back Levee by the Corps of Engineers. The District and SRWSLD sent out a joint letter to landowners regarding the condition of the levees and how they could prepare for the Storm Season. The Yolo Bypass Fish Passage Project should have the EIS/EIR out within the next few days for comments.

Deputy Manager Vanderwaal gave a status report on the Office Annex Project. The Contractor is anticipating substantial completion early January, and staff is planning on holding the January Board meeting in the new Boardroom. The contingency remains at 8.84 percent of the contract.

6. Manager's Report - Manager Bair reported that emails have been setup for each Trustee. Staff will help with setting up the emails if requested by the Trustee. Deputy Manager Vanderwaal will be the point person for District newsletters that will be sent out every two months. Johnsons Printing has agreed to work with the District on formatting and printing. If you have any ideas for articles, please contact Deputy Manager Vanderwaal. Manager Bair asked for dates to setup the Annual Landowner/Water User meeting. President Durst suggested that a tour of the District and Projects be offered to Landowners as part of the Annual Meeting.

7. Attorney's Report – Attorney O'Brien discussed the Supreme Court Decision from San Buena Ventura verses Untied Water Conservation District on Prop 26 and Prop 218 processes and how they are applied to Groundwater. It was found that groundwater was not property related, therefore, does not require a Prop 218 election.

Closed Session – The Board went into Closed Session at 11:55 a.m. to discuss anticipated litigation and significant exposure to litigation pursuant to Subdivision (d) of Section 4956.9 (CalWaterFix Comments, Settlement Contracts, NRDC, SWRCB Settlement Process, Voluntary Agreement, KLOG and Personnel Issue). The Board came out of Closed Session at 12:35 p.m. and President Durst announced that one action was taken. It was moved by Trustee Doherty to award Manager Bair a 14 percent merit bonus and 3.1 percent wage increase for 2018. Trustee Cornwell seconded. Approved 5 – 0.

RECESS

The Board recessed for lunch at 12:37 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 1:20 p.m.

Respectfully Submitted

Lewis Bair
Manager