

DUNNIGAN WATER DISTRICT
BOARD MEETING
MAY 17, 2018

DIRECTORS IN ATTENDANCE

PRESIDENT-BLAIR VOELZ

VICE-PRESIDENT-CYNTHIA PETERSON

DIRECTOR-GEORGE BURGER

DIRECTOR-DAVID SCHAAD

ABSENT: JAKE SPOONER

OTHERS IN ATTENDANCE

LEGAL COUNSEL-ANDREA CLARK

MANAGER/SECRETARY-DONITA HENDRIX

LANDOWNER-ERIC LINSE

LANDOWNER-WILLARD INGRAMAN

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1. CALL TO ORDER

President Voelz call the meeting to order at 1:30 PM

2. DETERMINATION OF A QUORUM

A quorum of directors was present to conduct business with 4 Board of Directors being present.

3. APPROVAL OF AGENDA AND ADDING ITEMS TO THE POSTED AGENDA

In order to add an agenda item, it must fit into one of the following categories: a) A majority determination that an emergency (as defined by the Brown Act) exists; or b) a 4/5ths determination that the need to take action that arose after the agenda being posted.

A request to add item 5.F-Review of unemployment filing of ex-employee

M/S/C: Peterson/Burger: to approve the meeting's agenda as amended

Ayes: Peterson, Burger, Schaad and Voelz

Noes: None

Absent: Jake Spooner

4. PUBLIC COMMENT

The public may comment on matters with the Board's jurisdiction. The presiding officer may place reasonable limits on the time afforded to each speaker. The Board will not be able to act on matters brought to its attention under this item until a future board meeting.

There was no public comment

5. MONTHLY RECURRING ITEMS

A. Consider approval April 19th board meeting minutes

M/S/C: Peterson/Schaad: to approve the April 19th board meeting minutes

Ayes: Peterson, Schaad, Burger and Voelz

Noes: None

Absent: Jake Spooner

B. Review and consider accepting financial reports

Mr. Schaad requested a total of deposits made included in the financial report.

M/S/C: Burger/Schaad: to approve the submitted financial report

Ayes: Burger, Peterson, Schaad and Voelz

Noes: None

Absent: Jake Spooner

6. GENERAL BUSINESS

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A. Update on 2017 Auditor's Report

The Board had some questions on the auditor's report at the April's Board meeting on some budget items and the chart on long-term debt liability. Management contacted Mr. Johnson, the District's accountant, with the Board's questions. The Board had a chart explaining the auditor's report. The Board reviewed the document.

M/S/C: Peterson/Burger: to accept the auditor's 2017 audit report.

Ayes: Peterson, Burger, Schaad and Voelz

Noes: None

Absent: Spooner

B. Consider request by the Colusa Indian Community Council to become a Sites Joint Powers Authority (JPA) member

The Colusa Indian Community is interested in being a member on the Sites Board because they have land of interest within the Sites Reservoir project. The Colusa Indian Community has agreed to forfeit any concerns if there is conflict with funding or grant application. The Board discussed the matter.

M/S/C: Schaad/Burger: to approve the Colusa Indian Community to join the Sites JPA Board member

Ayes: Schaad, Burger, Peterson and Voelz

Noes: None

Absent: Spooner

C. Update on Sites Reservoir Project-Spooner

Mr. Spooner was absent, so this item was tabled until next meeting. It was noted at the Tehama Colusa Canal Authority (TCCA) meeting announced that the Sites JPA had hired a financial adviser to prepare for Phase 2 of the Sites Project and is researching a low interest rate loan from USDA. Jim Watson, Manager of the Sites Project will be attending the next TCCA board meeting.

D. Update on Yolo Sub-Basin Groundwater Agency(YSGA)-Burger

Ms. Hendrix reported the YSGA has developed a new sub-committee title "Entity". The "Entity Committee" consists of managers in Yolo County to send their district's information to the technical engineers from SEI on the imaging of the county. This information will be used to develop a water balance for the county plan. Ms. Hendrix presented the Board the imaging of Dunnigan area and the reports SEI has collected from the imaging. Management has been working with SEI on District data and groundwater reports developed by hydrologic professional for the District. Ms. Hendrix will contact YSGA for reimbursement to the District to contact professionals knowledgeable of the District's groundwater to confer with SEI.

E. Discuss and consideration of future planning on the Dunnigan Water District –Voelz

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Mr. Voelz reported RD 108's staff and some board members has reservations on whether it would be profitable and good for their district to participate with Dunnigan Water District for management and staffing. Mr. Bair, manager of Reclamation #108, voiced the board wanted the staffing agreement to have clarity in releasing District #108 from liability. Mr. Bair believes they will resolve some of his Board's concerns at their June meeting.

Management is receiving resumes on applicants interested in the Assistant Manager position.

- F. Update of recent filing on ex-employee filing for unemployment-Voelz
Mr. Voelz informed the Board the recent ex-employee has filed for unemployment. The Employment Development Department has reviewed the case and has approved his right to receive unemployment.

7. TEHAMA COLUSA CANAL AUTHORITY ACITIVITES-Schaad

Keys points from the Bureau of Reclamation (BOR)

- Listed Districts interested in participating in the WINN Act-revising districts 9-D contract to a repayment contract-May 31st is the deadline to be considered in the change-BOR has acknowledged Dunnigan Water District's request to participate in the WINN Act research.
- 100% water allocation for service contractors-There will be no water transfers in the valley

Tehama Colusa Canal Authority activities

- Received \$255,000 payment from FEMA on repairs from last year
- Plan on purchasing a used grader
- 2018 Ability to Pay Study is in progress and the expedited study is near completion
- TCCA has withdrew its consideration of water transfers for 2018

8. Consideration of an extensive investigation study on the Ability to Pay with the Bureau of Reclamation

Dunnigan Water District received notice according to the expedited study on the ability to pay, has lost relief from any deduction in water rates. The Bureau is preparing an extensive study to examine in depth crop patterns and farmers' ability to pay which would cost the District approximately \$1,500.

M/S/C: Schaad/Peterson: to approve the District to participate in the Bureau's extensive study on the ability to pay Bureau's water charges if the cost does not exceed \$2,000.

Ayes: Schaad, Peterson, Burger and Voelz

Noes: None

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Absent: Spooner

9. Attorney Report-Clark

Since the Board is considering selling a portion of its water contracts, Andrea Clark, legal counsel, updated the Board on the new guidelines for water transfers and the complexity of the approval.

Water transfers involving the State Water Project are subject to Departments of Water (DWR) Resources' approval. Reclamation (BOR) has approval over water transfers involving Central Valley Project water supplies. Transfers are evaluated to assure that the water transfer results in (1) no unreasonable impacts on fish and wildlife and instream uses, and (2) no unreasonable economic or environmental impact on the county in which the transfer water originates.

There are three types of water transfers that will typically be considered for approval.

(1) Stored water-release of stored water that would remain in storage in the absence of the water transfer. Storage reduction caused by a transfer must be refilled at a time when downstream users would not have otherwise captured the water.

(2) Cropland idling/crop shifting-Reduction in surface water use resulting from reduced evapotranspiration of applied water of agricultural crops that would have been planted in the absence of water transfer.

(3) Groundwater Substitution-Reduction in surface water use that is offset with additional groundwater pumping.

Water transfers that will not to be considered are:

(1) Direct pumping of groundwater-no approval of direct transfer of groundwater from one area to another

(2) Transfers that injure legal users of water or cause unreasonable effects on the Environment-Water transfers that simply reclassify existing stream flows from one category to another, making these flows no longer available to historic downstream users, have the potential to injure other legal users of water and cause harm to the environment.

10. ADJOURNMENT

There being no further business the meeting was adjourned at 3:20 pm

President

By: _____
Donita Hendrix, Secretary/Manager

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