

DUNNIGAN WATER DISTRICT  
SPECIAL MEETING OF THE BOARD OF DIRECTORS  
MINUTES  
MONDAY, NOVEMBER 19, 2018  
9:30 AM  
3817 FIRST STREET, DUNNIGAN, CALIFORNIA  
530-724-3271

1. CALL TO ORDER

Mr. Voelz called the meeting to order at 9:55 a.m.

2. DETERMINATION OF A QUORUM

There was a quorum present with 4 board members being present.

President-Blair Voelz

Vice-President-Cynthia Peterson

Director-George Burger

Director-David Schaad

Absent: Jake Spooner

Others Present-Legal Counsel-Rebecca Smith, Manager-William Vanderwaal, Donita Hendrix, Lewis Bair, Manager of Reclamation 108 (Cynthia Peterson attended the meeting at 10:10 am)

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

*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.*

*Mr. Vanderwaal requested the addition of item 8.E. under General Business: Discussion of Water Users Conference.*

*M/S/C: Burger/Schaad: to approve the amended agenda*

*Ayes: Burger, Schaad, Voelz*

*Noes: None*

*Absent: Spooner, Peterson (Peterson arrived at 10:10 am)*

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.*

*Mr. Vanderwaal introduced Mr. Bair from Reclamation District 108.*

5. MONTHLY RECURRING ITEMS

A. \*Consider approval October 24 meeting minutes

*The Board reviewed the minutes.*

*M/S/C: Schaad/Burger: to approve the minutes of October 24 minutes.*

*Ayes: Schaad, Burger and Voelz*

*Noes: None*

*Absent: Spooner, Peterson*

B. \*Review and consider accepting financial reports

*The Board reviewed the financials and had some questions on various reports.*

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M/S/C: Peterson/ Burger: to approve the submitted financial reports  
Ayes: Peterson, Burger, Schaad, and Voelz  
Noes: None  
Absent: Spooner

6. GENERAL BUSINESS

A. \*RD-108 Contract Review at November Milestone-Voelz

RD-108 has been contracted to provide management services including: acting district manager, administrative services and waterman support to Dunnigan Water District. A review was set for November for both districts to determine whether to continue the contract through November. RD 108's Board of Directors, at their November meeting, voted to continue the contract through February 2019. RD 108 has provided management support and waterman support since July. RD 108 has not provided administrative support due to extra personnel that were hired not working out. They have hired two new administrative employees starting in late November. The administrative staff should be fully on board and working on Dunnigan Water District tasks in mid-late December.

M/S/C: Peterson/Schaad: To continue the services of RD 108 through February 2019 with the intent to extend the contractual agreement annually  
Ayes: Peterson, Schaad, Burger and Voelz  
Noes: None  
Absent: Spooner

B. \*Consider approval of District Budget for 2019-Vanderwaal

Mr. Vanderwaal distributed various spreadsheets of the proposed 2019 draft budget. The proposed 2019 budget also included charts of the proposed 2019 water rates with allocations from 10% up to 80%. The Budget committee had met with Mr. Vanderwaal on the proposed budget and requested some minor changes which Mr. Vanderwaal implemented. Mr. Vanderwaal clarified all aspects of the budget.

M/S/C: Schaad/Peterson: To approve the proposed 2019 budget as presented and to be revisited as needed.  
Ayes: Schaad, Peterson, Burger and Voelz  
Noes: None  
Absent: Spooner

C. \*Consider approval of 2019 water rates-Vanderwaal

The Board reviewed the water rates chart ranging with percentage allocation which included Bureau charges, Tehama Colusa Canal assessment, RD 108 contractual water and Dunnigan Water District service charge. The Board felt it was best to use the annual average water usage 10,000 acre-feet down to the 10% allocation to determine 2019 water rate.

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M/S/C: Peterson/Schaad: to post the 2019 water rates ranging from \$92 to \$294 depending on District's allocation and to have a public hearing in February 2019.

Ayes: Peterson, Schaad, Burger and Voelz

Noes: None

Absent: Spooner.

D. \*Update on Sites Reservoir-Spooner/Vanderwaal

A. Improvement District Discussion-Smith/Vanderwaal

Mr. Vanderwaal shared the Sites Project Staff have developed a revised budget for 2019 and at the request of the Reservoir Committee are planning on funding 2019 via cash call with no financing by the project. The "per acre-foot invested" cap is set at \$65 per AF and currently projected to be \$58 per AF. The cash call is expected to be sent out in March and due within 30 days of the receipt.

Investors in Colusa County may be setting up an improvement district for Sites Investors, but Dunnigan Water District could not join with these investors because the improvement district cannot be extended into Yolo County. Dunnigan Water District will have to set up its own improvement district for Sites. Mrs. Smith shared since the Sites Project for 2019 is a cash call and the debt is not connected to the landowner's property the district will not be required to form an improvement district in 2019. In the future when the Sites project debt is connected to the landowners' land the District will need to form an improvement and set-up an escrow account for the expenses and income.

B. \*Consider invoices for Phase 2 (2019)-Schaad/Vanderwaal

Mrs. Smith said early invoicing for the Sites Project in 2018 can only be voluntary and the change for a cash call investment should be shared with all investors.

Mr. Burger left the meeting at 11:30 am.

M/S/C: Schaad/Peterson: To accept voluntary payments in 2018 for the 2019 Sites Project cash call and to send a letter to all investors explaining the changes on the Sites Project 2019 cash call.

Ayes: Schaad, Peterson and Voelz

Noes: None

Absent: Spooner, Burger

E. \*Discussion on January water conference

The annual water Mid-Pacific Region Water Conference is set for January 23-25<sup>th</sup> in Reno Nevada at the Eldorado Resort Casino. Mr. Vanderwaal plans on attending the conference. Board members do not plan on attending the conference.

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7. TEHAMA COLUSA CANAL AUTHORITY (TCCA) ACITIVITES-Schaad

The Bureau of Reclamation gave a presentation on the plans to raise Shasta Dam. There are six different options with a cost of 51 billion dollars. The plans are on fast track completion by the spring of 2019 and project completion in 2024.

The TCCA is preparing for the winter maintenance repairs.

8. MANAGER'S REPORT

- A. 2018 water usage-rainfall and Shasta Dam level
- B. District operations
- C. Management Transition to RD-108 Staff
- D. TCCA Budget
- E. Ethics and Harassment Training for Board members

Mr. Vanderwaal shared the District has started winter maintenance repairs on deliveries and turnouts. Mr. Soares, District operations, has cut his hours to three days a week through January due to reduced activity.

Mr. Vanderwaal will apply for a 215 contract with Bureau to use any excess flows in the system should water be available. 215 water is cheaper because it does not include restoration nor Trinity charges.

WINN contract negotiations will begin in January.

9. ATTORNEY REPORT

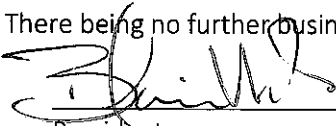
Closed Session -Conference with Legal Counsel Pursuant to Govt. Code 54956 9 (d)(4): One Case: Water Quality Control Plan Proceedings


The Board went into closed session at 12:00 pm.

1. No action was taken.

The Board re-convened at 12:25 pm.

There being no further business President Voelz adjourned the meeting at 12:30 p.m.

  
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President

  
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William Vanderwaal, Secretary/Manager