

RECLAMATION DISTRICT NO. 108
Minutes of the Regular Board Meeting of Trustees
August 15th, 2019

President Durst called the Regular Meeting of the Board of Trustees to order at 8:30 a.m. on Thursday, August 15th, 2019 at Reclamation District No. 108 headquarters, Wilkins Slough, Colusa County, California.

Trustees Present: Roger Cornwell, Fritz Durst and Todd Miller

Trustees Absent: Sean Doherty, Hilary Reinhard

Others Present:

Lewis Bair, General Manager	Anne Zwald, Office Administrator
Meegan Nagy, Deputy Manager	Don Huff III,
Gary Marler, Operations Manager	Fred Durst, Landowner
Kevin O'Brien, Legal Counsel	Deke Dormer, Water User
John Loudon, Colusa County	Candy Dormer, Landowner
Derik Strain, Water User	John Miller,

Agenda:

M/S/C: Cornwell/Miller: To approve agenda as posted.

AYES/NOES: Cornwell, Durst, Miller / NONE

OPEN FORUM

- **Re-initiation of Consultation on long term operations** – Manager Bair reported that DWR and the Bureau of Reclamation need to have environmental approval from the federal fish and wildlife agencies to operate the Project reservoirs. The federal agencies currently propose to include the operations to deliver water to the Sac River Settlement Contractors as part of their proposed project description and importantly, the fishery agencies propose to cover those actions as part of their Biological Opinion and provide take coverage for those operations. The 2008/9 process did not provide take coverage for the Sacramento River Settlement Contractors which led to litigation over salmon mortality due to high water temperatures during the recent drought.
- **District Elections** – Office Administrator Anne Zwald reported to the Board that there are three seats up this year; Roger Cornwell, Fritz Durst and Sean Doherty. Notification in both Yolo and Colusa Counties have been posted. The nominating petitions are available and due August 23rd – September 13th by 5 p.m. October 6th notice will be given of no election or if an election is to be held. If more petitions than seats available are turned in, then an election will be held and ballots will be mailed between Oct. 8th – 25th and must be received back to the office by mail by November 5th.
- **Extension of Irrigation Service** – Legal Counsel Keven O'Brien reviewed the proposed resolution for adding irrigation service to existing district lands. He mentioned that the District has broad discretion under the water code to add lands within the district boundary areas to its service areas. The Board has decided on \$500/acre for the connection fee and would allow this to be paid over a ten-year period with an annual 5% interest rate. New lands coming in would also have to bear all cost associated with joining. The landowner wanting to add new irrigable lands would need to fill out an application for Board approval and then a contract would be formed between the District and the Landowner.

Manager Bair reported that some of the pros to this resolution is to share the cost of O&M cost over more water users. It also encourages the use of surface water to reserve ground water for the critical years, as well as it would maximize use of water rights to make sure we could not lose them in the future.

After much discussion between the Board and the public, it was determined that there needs to be a Special Landowners Board Meeting at a time where more landowners could attend. It was also requested that the landowners receive a copy of the proposed resolution to review before the meeting.

Public Participation: No further public participation at this time.

The Open Forum ended around 9:45 a.m.

ADMINISTRATION

Consent Agenda:

M/S/C: Miller/Cornwell: To approve Minutes of the Regular Board Meeting from July 18, 2019 as well as District Summary of Investment Accounts and Maintenance and Irrigation Fund Reports.

AYES/NOES: Cornwell, Durst, Miller / NONE

Accounts Payable: Maintenance Fund in the amount of \$502,361.41; checks issued in August in the amount of \$233,129.82; online payments to be ratified issued in August in the amount of \$11,563.19; on-line electronic payments to be ratified issued in August in the amount of \$7,668.40, and transfers between River City Bank account and the Money Market Fund in the amount of \$250,000. Irrigation Fund in the amount of \$608,750.90; checks to be ratified issued in July of \$547.68 and on-line electronic payments to be ratified in the amount of \$39,459.97.

M/S/C: Cornwell/Miller: To approve accounts payable as stated above.

AYES/NOES: Cornwell, Durst, Miller / NONE

BUSINESS ITEMS

1. **Review and Consider Resolution NO.19-08:** Will postpone a vote on this until after a Special Landowners Meeting is held.
2. **Operation and Maintenance Report:** Superintendent Marler report is attached. (Attachment 1 of 1 for 08.15.2019 Minutes)
3. **FMAP: Consider RESOLUTION NO. 19-09 & RESOLUTION NO. 19-10 for Fiscal Year 19/20:** Deputy Manger Nagy reported to the Board that Flood Maintenance Assistance Program (FMAP) for 2019/2020 is now open. Received around \$134,000 for the 2018/2019 year and asking for \$154,000 for the 2019/2020 year. Resolution No. 19-09 is for the application being submitted for FMAP. The State is trying to make it so that District's don't have to continue to sign the same OMRR&R agreement every year, but if that doesn't work, Resolution No.19-10 is for the OMRR&R.

M/S/C: Miller/Cornwell: To approve RESOLUTION NO. 19-09 for FMAP 2019/2010 season.

AYES/NOES: Cornwell, Durst, Miller / NONE

M/S/C: Cornwell/Miller: To approve RESOLUTION NO. 19-10 for OMRR&R.

AYES/NOES: Cornwell, Durst, Miller / NONE

4. Consider RESOLUTION NO. 19-11 Authorizing Application for the Regional Flood Management Program: Deputy Manager Nagy reported to the Board that the Regional Flood Management Plan is starting with new funding agreements. Resolution No. 19-11 is allowing RD108 to be the lead for the Mid and Upper Sac, and to be able to put in a new application for a funding agreement with Deputy Manager Nagy and Manger Bair as authorized agents.

M/S/C: Cornwell/Miller: To approve RESOLUTION NO. 19-11 for Regional Flood Management Program.

AYES/NOES: Cornwell, Durst, Miller / NONE

5. Pursuit of Legislation to Form Improvement District for Sites Investment: Manager Bair reported to the Board that in order to do an improvement district within RD108 for Sites they will need to pursue legislation adding this authority so that investors within RD108 isolate any liability associated with that investment. After some discussion, it was agreed by the Board that the District would pursue the legislation to authorize RD108 to form an improvement District so that RD108 has the option of either investing as a whole or investing as a subset of landowners without creating liability outside of the subset of landowners.

6. Appointment of ACWA Committee's: Manager Bair expressed to the Board that he would like to continue to participate on the Water Management Committee, Deputy Manager Vanderwaal to continue to participate on the Ground Water Committee and Andrea Clark of Downey Brand to participate on the Legislative Committee.

M/S/C: Cornwell/Miller: To nominate Manager Bair, Deputy Manger Vanderwaal and Andrea Clark of Downey Brand to participate on ACWA committee's as mention above.

AYES/NOES: Cornwell, Durst, Miller / NONE

7. 2019 Mid-year Budget Review with Consideration to Amend the 2019 Budget: Manager Bair reported to the Board that he took the Maintenance, Irrigation and Project Budgets and updated them through the end of the year. In the IRRIGATION FUND: There was reduced income due to the wet spring, but there were also reduced Project Water costs in about the same amount. In the MAINTENANCE FUND: There was a cash flow problem in the month of June and the District had to move money from reserves to meet this need; The contract litigation has increased due to higher than expected testimony expenses; District insurance and Misc. Fees has increased due to underestimating annual fee increases; Power and Energy has increased due to the extra winter pumping that was needed this last winter; Solar increase is being based off of a bid that was given to the District for their plan to replace the inverters. In the PROJECT FUND: Grants have been progressing slower than previous years and that is pushing the income and expenses back in time; The Wallace Weir work was being split between the original Capital Project and an O&M agreement, but now going to include it as a single budget item; For the Side Channel Project the District ended up contracting for the gravel, but it is reimbursable. Manager Bair is also proposing to increase the Maintenance and Irrigation Fund budgets by \$30,000 to accommodate the upcoming projected costs.

M/S/C: Miller/Cornwell: To approve the Mid-year Budget changes as discussed above.

AYES/NOES: Cornwell, Durst, Miller / NONE

There was discussion on what the Board would like to do about the borrowed funds for the cash flow shortages; payback now or at the end of the year. After some discussion they felt that the funds should be reimbursed at the end of year. If there is a shortage of cash consistently every year in certain months, then the Board needs to address the budget.

8. Consider Approving Moving Forward with FEMA Grant for Office Generator: Deputy Manager Nagy reported to the Board that she received a request for information last week from CAL OES about FEMA asking where the generator would be in relations to the flood plains. The grant (75% FEMA / 25% District) is to install a permanent generator for the office costing around \$65,000 dollars for purchase and installation.

M/S/C: Miller/Cornwell: To approve Deputy Manager Nagy to move forward with the FEMA Grant for an Office Generator.

AYES/NOES: Cornwell, Miller / Durst

INFORMATION REPORTS

1. NCWA Report: Trustee Cornwell reported to the Board that NCWA is going to Washington D.C. Sept. 10-13 to do a Flood Plain presentation. President Durst recommended that the District pays for a Landowner to go back for the presentation to help communicate the efforts of everyone at local and government levels. There were no objections from the other Board Members to invite a Landowner.

2. Sites Reservoir: President Durst reported to the Board that Sites is in the process where they are trying to come to a mutual resolution with CDFW on permitting for the size of the project. The Reservoir Committee group is looking at affordability between size and usage. The District will likely need to make a final decision to continue to participate or not in the next 6 months.

3. Attorney's Report: The Board went into CLOSED Session at 10:54 a.m. to conference with Legal Counsel - existing litigation (Paragraph (1) of subdivision (d) of Section 54956.9): California Water Fix SWRCB proceedings; Glenn Colusa Irrigation Dist. et al. v. DWR et al., Sacramento Superior Court Case NO. 34-2017-80002673. The Board came out of CLOSED Session at 11:07 a.m. and no action was taken in closed session.

4. Deputy Manager's Report:

Deputy Manager Nagy reported to the Board:

- **Deferred Maintenance Program** – Superintendent Marler covered this in his report. The only thing Deputy Manager Nagy wanted to add was that last week had the pre-con with the contractor and should be starting sometime this week.
- **Regional Conservation Investment Strategy** – Still waiting for comments from CDFW.
- **PL 84-99 2019 Flood Event** – Five sites have been submitted to the CORPS and only two got approved to move on to the next step. The other three are on the monitoring list. CORPS came out to evaluate the two sites they approved and will complete an economic analysis on them both. A meeting with FEMA is set up to go over cost from 2019.

Deputy Manager Vanderwaal reported to the Board:

On behalf of Deputy Manger Vanderwaal, Manger Bair reported to the Board for the Water Use Efficiency Grant that the staff has been working with the permitting agencies to provide some off-season dates to install the head gates.

5. **Manager Bair's Report:**

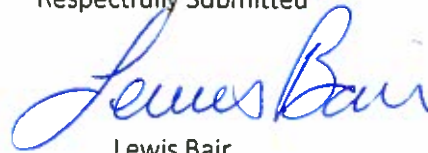
- **KLOG** – Manager Bair report that the Federal Funding Agreement is in the final stages of completion. The State Funding Agreement would like to use HDR as the project engineer and rolling their scope into the grant is taking more time. Hoping to have a completed agreement by December so that the design team and biologist are able to work together on reconstruction that is projected to start next year.
- **Voluntary Agreements** – Manager Bair reported to the Board that the State Team is trying to gather information to either endorse or ask for additional assets to be contributed in the first half of October. They are trying to complete modelling of the proposal by the end of Sept to support this decision. The modeling results would give them the habitat that would be made available in the VA and State Board proposal, as well as the volumes of water that would be made available. These proposals and results are what the State Team will base their opinion on whether or not to endorse the VA's and advance the package to the State Board, or ask for more additional assets. In relation to the VA's, Manager Bair has been working with NGO's on the potential expansion of the flood plain type of fishery actions.

ADJOURNMENT

President Durst recessed the meeting at 11:39 p.m. for lunch.

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

Respectfully Submitted



Lewis Bair

General Manager

