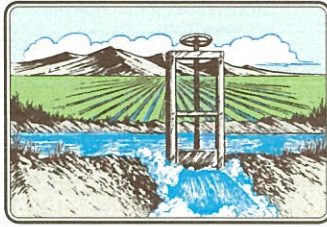


Reclamation District No. 1004



BOARD OF TRUSTEE
REGULAR BOARD MEETING MINUTES
July 20th, 2022
9:00 a. m.

Board of Trustees present Ed Hulbert, Gary Bailey, Leanne Mord, Hans Herkert and Larry Borrelli, District Manager Terry Bressler, Secretary to the Board of Trustees Barbara Sachs, Hayden Harter, Deryl Phy, Wally Emery, Pat Ryan and Rob Brown. Attending via telephone is Jack and Audra Baber.

Chairman Hulbert called the public hearing to order at 9:10 a. m

Agenda:

M/S/C (Borrelli, Mord) approve July 20th Agenda.

Vote: Unanimous

Minutes:

M/S/C Approve June 15th Public Hearing Minutes

Vote: Unanimous

M/S/C Approve June 15th Regular Board Meeting Minutes

Vote: Unanimous

Public Comment:

Hayden Harter asked when and who knew about the free water from May 1st to May 10th from the Bureau of Reclamation and why weren't growers given this information. He also asked why would the water taken during this time be counted towards the grower's allocation.

Trustee Herkert replied, he felt Hayden was talking about the letter the District received May 6th. He said MBK Engineers and the State Board of Water Resources and the Bureau of Reclamation were working on this notice because of rain and side channel flows. Hayden said he wouldn't have to run his well pumps at a cost of \$6,000 and asked in the future if this situation ever arises again, consideration be given to the growers right away. Chairman Hulbert said this water may be needed to meet our existing water allocation.

Item #6B New Business:

Chairman Hulbert said Butte Lodge Outing Club had sent him an email requesting to have their ditch loss reduced from 35% to approximately 15%.

Wally Emery and Rob Brown attended the meeting to speak on Butte Lodge Outing Club behalf. Wally said they'll be supplementing their water with well water and feels 35% ditch loss is too high. Terry Bressler gave statistical information regarding the fields around Butte Lodge Outing Club and the distance the water has to travel, and the ditch loss is likely 35% or higher.

At this time, the Board decided not to lower the ditch loss but will review this item again later in the water season.

Terry asked, what about Pat Ryan? He has to travel 8,400 acre feet and the fields are dry all around him. The Board agreed the 35% ditch loss would remain in this instance. Pat was not in attendance for this item. However, he did attend later in the meeting.

Terry said if the ditch is maxed out (fully charged), are we going to cut someone off to let others pump into the District's canal? The Board said all the landowners need to work together with Terry and do the best they can in this situation.

Wally said Butte Lodge Outing Club is interested in purchasing more water. Terry said the going rate is \$250.00 per acre foot and they would have to purchase water from other water users in the District but the water has to be taken before October 31st or when the Bureau of Reclamation shuts the District off.

Financials:

Treasurer's Report:

M/S/C (Herkert, Borrelli) approve Treasurer's report as presented.

Vote: Unanimous

Barbara requested a transfer from Fund One to Fund Three in the amount of \$10,000

M/S/C (Herkert, Mord) approve transfer from Fund One to Fund Three in the amount of \$10,000

Vote: Unanimous

Barbara requested a transfer from LAIF to Umpqua Bank in the amount of \$350,000.00

M/S/C (Borrelli/Herkert) approve transfer from LAIF to Umpqua Bank in the amount of \$350,000.00

Vote: Unanimous

Barbara Sachs presented the cash report and designation of financial accounts.

M/S/C (Borrelli, Mord) approve cash report and designation of financial accounts as submitted

Vote: Unanimous

Barbara requested approval of interim transactions in the amount of \$14,537.71

M/S/C (Herkert, Borrelli) approve interim transactions in the amount of \$14,537.71

Vote: Unanimous

Barbara presented accounts payable in the amount of \$364,513.24

M/S/C (Herkert, Mord) approve accounts payable in the amount of \$364,513.24

Vote: Unanimous

Barbara presented the accounts receiveable. The Board agreed to have Barbara send a letter to White Mallard notifying them the finance charge on their account was waived.

Barbara presented the balance sheet, profit and loss, profit and loss to budget.

M/S/C (Herkert, Mord) approve balance sheet, profit and loss, profit and loss to budget.

Vote: Unanimous

Barbara presented the employees sick and vacation leave balance.

Barbara presented costs for all ongoing litigations

Barbara presented all the current cost to run District wells (electric costs).

New Business:

1. Environmental Impact Statement and Biological Assessment Development, Memorandum of Understanding (MOU) with Bureau of Reclamation.

Chairman Hulbert said he'd sent the MOU to Dustin Cooper of Minasian Law Firm and Dustin approved the MOU.

M/S/C (Herkert, Borrelli) approve Chairman Hulbert to sign MOU with the Bureau of Reclamation.

Vote: Unanimous

2. Term 91

Terry Bressler reported we are ok on the river until October 31st and we're ok on Butte Creek for now.

3. Capital Projects

Barbara said Mary Cummins the accountant and her have had conversations regarding the Capital projects versus expenses. In the past there's been many small fixed asset accounts set up and feel they need to be expensed. The State says "anything over \$25,000 is to go out to bid because the District is a public entity". Therefore, we are asking for Board direction. After a lengthy discussion, the following was agreed upon by the Board

1. Anything over \$25,000 will go out to bid, unless there's an emergency.

2. Capital projects are to be depreciated

Direction from the Board was given to Terry to interview a few independent engineers who meet our criteria to form a working relationship with them on capital projects.

Gary Bailey asked for a written 3 year or 5 year plan with Capital projects designated by priority for each year and with estimated cost.

Chairman's Report:

Chairman Hulbert said Sacramento River Settlement Contractors reported no update to Districts receiving checks from the Bureau of Reclamation on grants to date. He said they're still doing fish studies and temperature controls.

Chairman Hulbert said he met with Tariq Khan regarding his District land lease and will discuss this topic more in closed session.

Manager's Report:

Terry said Fish and Game said at the Bifurcation trees have piled up obstructing the flow and should be cleaned out. It's the District's responsibility and he'll talk to the landowners around the area before work commences.

Terry said there's a 2" gap around the east side of the main structure at the White Mallard Dam where water is running through and not being metered. He said this area should be fixed.

Terry asked if the Board wanted to consider going over the 4,000 acre feet of water in the water transfer. He has growers interested in selling their water allocation.

M/S/C (Bailey, Herkert) approve raising the water transfer amount from 4,000 acre feet to 4,500 acre feet by a water users allocation if there's buyers.

Vote: Unanimous.

The Board requested Barbara to send out a notice to everyone, if they're interested in selling their water allocation to let Terry know right away.

Terry said he's currently taking 10-15 c. f. s. off the river and in September/October the c. f. s. will be higher. 1,500 acre feet of water over allocation has been sold at \$250.00 per acre foot. He still has to deliver 10,224 acre feet of water with 5500 acre feet to go down the river and 4,654 acre feet delivered. He said ditch loss currently is running at 41%.

He asked if the Board wanted to reconsider the Hydro Plant project for August and the Board agreed not to do the Hydro Plant.

He said he met with Jeff Davis of Davis Engineering who have the accounting system he's interested in but they use a different style water meter system.

Trustee Bailey said he wanted to see a separate meter installed at Avis/Behring.

Deryl Phy asked if the Bureau of Reclamation could take away 3,600 acre feet of water from the District contract someday because we transferred water. Trustee Herkert and Chairman Hulbert said no it was a one year contract and they made sure they couldn't in the written contract with the Bureau of Reclamation.

Old Business:

1. No update on GSA
2. No update on Bay Delta
3. Jack Baber said he wanted Trustee Herkert to keep in touch with the Bureau of Reclamation regarding wheeling water to the Sutter Wildlife Refuge.
4. The revisions in the Rules and Regulations manual were reviewed and revised.

M/S/C (Borrelli/Mord) approve revisions to the Rules and Regulations manual as of 7/20/22

Vote: Unanimous

5. Personnel Manual will be left on agenda to do revisions in forthcoming months.
6. Chairman Hulbert asked Terry to get costs for repairs and funding options on the White White Mallard Dam and discuss how we want to operate the dam in upcoming meetings.

11:50 a.m. closed session

12:12 p.m open session

M/S/C (Borrelli, Bailey) to extend the District lease to Aslam and Tariq Khan Farms for two years with the specifications of leveling 300 acres of land, reviewing the Voluntary Agreement and complying with GASB87.

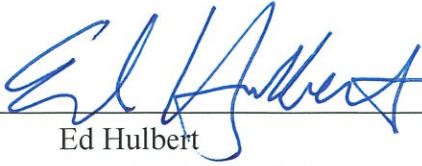
Vote: Unanimous

12:14 p.m. closed session

12:22 p.m. open session

The Board gave direction to Chairman Hulbert regarding the White Mallard litigation

There being no further business to discuss, the meeting was adjourned at 12:27 p. m.



Ed Hulbert

Chairman of the Board of Trustees



Barbara J. Sachs

Secretary to the Board of Trustees