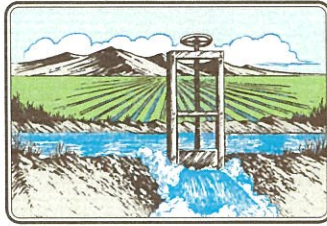


Reclamation District No. 1004



BOARD OF TRUSTEE
CLOSED AND REGULAR BOARD MEETING MINUTES
December 14th, 2022
11:00 am.

Board of Trustees present Ed Hulbert, Larry Borrelli, Gary Bailey, Hans Herkert, Leanne Mord, District Manager Terry Bressler, Secretary to the Board of Trustees Barbara Sachs.

Agenda:

M/S/C (Borrelli, Mord) approve December 14th closed meeting agenda and Regular Board Meeting Agenda as modified.

11:12 a.m. Closed session

Report Out:

The potential candidate to fill the Assistant District Manager's position was interviewed. After the interview was complete, the Board gave direction to Terry Bressler District Manager

Meeting closed at 12:17 p.m.

Lunch break

Regular Board Meeting:

Regular Board Meeting was opened at 1:20 p.m.

Board of Trustees present Ed Hulbert, Larry Borrelli, Gary Bailey, Hans Herkert, Leanne Mord,

District Manager Terry Bressler, Secretary to the Board of Trustees Barbara Sachs, Hayden Harter and Nicole Garafalo. Via zoom/telephone, David Barale and Erik Foraker.

Minutes:

M/S/C (Mord, Borrelli) approve November 9th, 2022 minutes as modified

Vote: Unanimous

Public Comment:

Nothing to report

4th Quarter Bifurcation Meeting:

Terry reported the Bifurcation was cleaned out at Department of Fish and Wildlife request. They now have to burn the piles but Fish and Wildlife representatives were happy with the outcome. Chairman Hulbert asked Terry to provide pictures of the clean out. Terry said RD108 is doing studies along Butte Creek. Erik Foraker said RD108 funded Flood Plain Reimagined to inspect all structures from his property past RD108 to Yolo County. Terry said Lewis Bair of RD108 has been spearheading the fish program and he will reach out to him for more information regarding the fish studies on Butte Creek.

Erik asked how the 70/30 water allocation was working for the District on Butte Creek. Terry said he has no problem with it.

Bifurcation portion of the meeting was closed.

Financials:

Treasurer's Report:

Barbara presented the following reports:

1. Treasurer's Report

M/S/C (Borrelli, Herkert) approve treasurer's report as submitted.

Vote: Unanimous

2. Cash report/Designation of Financial Accounts

M/S/C (Borrelli, Herkert) approve cash report/designation of financial accounts as presented.

Vote: Unanimous

3. Interim Transactions

M/S/C (Herkert, Mord) approve interim transactions in the amount of \$1,389,986.87

Vote: Unanimous

4. Accounts payable

M/S/C (Borelli, Herkert) approve accounts payable in the amount of \$184,852.44

Vote: Unanimous

Trustee Bailey said he was looking for the well costs to go down.

5. Accounts receiveable

M/S/C (Borrelli, Herkert) approve accounts receivable as presented.

Vote: Unanimous

Barbara reported on the Wells Fargo Bank checking account, lack of employees at the bank and new requirements for assistance at the bank and Fund 2 with Colusa County. She said the auditor's office told her Fund 2 is in no way linked to Wells Fargo Bank. Barbara recommended closing Wells Fargo Bank checking account and moving the money to Tri Counties Bank. She recommended closing Fund Two with a balance of \$72.08 and transfer it to Fund One (District's main account with the County of Colusa).

M/S/C (Bailey, Borrelli) approved closing Wells Fargo Bank checking and open a checking account with Tri Counties Bank and close Colusa County Fund Two with a balance of \$72.08 and transfer \$72.08 to Colusa County Fund One.

Vote: Unanimous

Barbara presented the employee's vacation and sick leave report.

Barbara presented the profit and loss and profit and loss to actual. Chairman Hulbert asked Barbara to have the accountants come up before the January 2023 Board Meeting to perform the 4th quarter audit so the Board can have a clearer view of the profit and loss year end going into 2023 budget. Chairman Hulbert recommended we look at a 75% and 50% budget for a reference based on river water allocation from the Bureau of Reclamation.

Hayden Harter asked why the District was still pumping water. Chairman Hulbert said Term 91 had been lifted last week and the District was still pumping off of Butte Creek and their only using wells if there's an absolute necessity.

Trustee Bailey asked if any decisions had been made regarding prepayments. Barbara said in the past few years, the person wanting to make a prepayment would figure out how much prepayment they want to make and she would place it in a payment in advance account.

Barbara reported the \$1,000,000.00 invested in Edward Jones Investment Group was allocated as follows:

\$800,000.00 at 4.4% Certificate of Deposit
\$200,000.00 at 4.5% Certificate of Deposit
6 month investment period – May 16th, 2023 maturity date

Hans Herkert said the land value on the balance sheet seemed low. He asked if this is correct as it's worth between \$13,000 to \$15,000 per acre. Barbara said she would speak to Mary regarding this item.

Barbara said she received the 2021 Bureau of Reclamation financial year end report and she doesn't agree with it. She submitted her findings to Sabir Ahmad at the Sacramento office for clarification.

New Business:

Barbara said she wanted to explain the current requirements of the Brown Act regarding Board meetings. Currently if a Trustee wants their vote to count but cannot attend the meeting in person, the Trustee is required to post the agenda outside the facility where they are. On the agenda, it has to state the address where the Trustee is attending the meeting from. She said she verified this rule with Andrew McClure of Minasian Law Firm. This ruling will stay in affect until the Governor makes changes.

GASB98:

Barbara asked for clarification regarding GASB87. She said at the previous meeting she understood the Board wanted the accountants to make a note on the year end financials as Mary Cummins recommended to adhere to GASB87. The Board said yes, they agreed to have the accountants add a note to the year end financials to be in compliance with GASB87 regarding the District lease.

Purchase/replacement of District Vehicles:

A lot of discussion regarding the purchase/replacement of District Vehicles took place with many opinions on the subject.

Chairman Hulbert said in December 2021 the Board made a decision that when the next pickup came up for rotation it would be cleaned up and brought to the District Office for office staff use to run District errands. This hadn't happened because we're unable to purchase new pickups. He recommended buying a small SUV. He said he felt having a pickup at the District Office wasn't going to work out as well. He said he priced a small SUV at Hoblit Chevy and it was in line with a pickup value and he made the deal. Except it became an issue. The Board didn't exactly approve what he did but it solved the auto problem and he felt it was appropriate. He said the office staff shouldn't have to drive their personal vehicles while performing District business.

Trustee Herkert said he remembered approving the rotation of the pickups. He said he felt that would have been best. He said he wants the pickup to be available to field staff to use if the need arises. Chairman Hulbert asked Terry if there was a spare pickup in the District. Terry said yes the 2016 Chevy they use with a spray rig in the back. Chairman Hulbert said no the pickup that was going to be rotated and Terry said that pickup will go to the potential Assistant District Manager because he isn't able to purchase new pickups because of State Fleet purchase requirements. He said his pickup needs sold as its having transmission problems and it'll cost quite a bit to fix. Hayden Harter said to pay the staff mileage. Chairman Hulbert said he didn't want the employees to drive their own vehicles and Trustee Borrelli said that's true then you have to have the District insured on their vehicles because their doing District business and records have to be kept as far as usage. Trustee Bailey said, the Board approved a pickup not a car. He said we don't know if we're going to deliver any water next year. He's not for spending any money right now. Chairman Hulbert said you still need pickups. Trustee Bailey said basic vehicles for delivering water. He said we just need to hold off a little while. The water rates were high this year and we have to take a hard look at them. Barbara Sachs said you've put this off for 17 years. She's used her personal vehicle for all District Business and hasn't been reimbursed a penny. She said there's waste in the District the Board should be paying attention to and the \$17,000 for a used vehicle was a drop in the bucket. Trustee Borrelli asked why she hadn't turned in paperwork to be reimbursed. Barbara said she was never told it was a benefit. Chairman Hulbert said it was an oversight of the Board. Trustee Bailey said he didn't like the fact that Barbara wasn't reimbursed. Trustee Borrelli said he didn't like the fact of personnel using their own vehicles because the District becomes a watch dog to make sure they have insurance on their vehicles and the District is a named insured.

There was discussion around the field vehicles and who uses them and for what duties. Chairman Hulbert said to have Hoblit's run Terry's pickup through and see what repairs need to be done and

the cost. Terry said we need to purchase Steve a new pickup and bring Steve's pickup to the office. The Board said no to proceed with Terrys pickup idea and move forward.

Trustee Bailey said Steve's pickup only has 30,000 miles on it and he feels it doesn't need to be replaced.

Wheeling fees for bringing outside water to the Princeton Pumping Facility:

Terry said we should charge a \$20.00 per acre foot transfer fee when allocating water in the District through the Princeton Pumping Facility due to the cost involved for transferring water. The water users pumping water into the District canals would remain at \$12.50/acre foot.

M/S/C (Bailey, Mord) approve \$20.00 per acre foot transfer fee through Princeton Pumping Facility and internally \$12.50 per acre foot.

Vote: Unanimous

Willow Creek Ranch pipe under Colusa-Gridley Highway:

Trustee Bailey said Clark Becker asked him to bring this subject to the Board. Terry said originally there was a concrete pipe under the Colusa-Gridley Highway at Willow Creek Ranch. He said the pipe and the area around it needs replaced. Trustee Bailey asked if it was in Terrys five year plan and he said no. Terry said this is a project that wouldn't cost too much but he'll have to work with the County Road Department to get approval for the project. Terry said the permitting should start now. He asked if it was a District expense or landowner's expense because of where the lateral ends. He said the Trustee tour of the District should be set and this project could be looked at to see the cost involved and who would be responsible financially. Trustee Bailey said he feels it's the District's responsibility as the District installed the lateral.

Trustee Tour:

The Board tour date was set for 8 a.m. January 11th before the Regular Board Meeting depending on the weather.

Chairman's Report:

Chairman Hulbert said the inflow at Shasta Dam has to be 4 million acre feet which could give us a 100% allocation and this is not likely to happen because of drought conditions

He said there's slow activity on the lawsuits right now.

He said the Drought Relief Fund hasn't been finalized. Our potential reimbursement could be \$1.9 million.

Barale Ranch ditch loss clarification:

Terry said the understanding when he came to work for the District was Barale Ranch pays for the water that goes through their meter. The water at the top of the ditch meter Mallard Ranch pays for and is deducted from Barale's meter reading. He said Mallard Ranch wants to charge Barale Ranch for ditch loss. Terry said a decision needs to be made by February on this matter.

David Barale said they were under the understanding that they pay for water through their meter, no ditch loss and no costs to maintain the ditch. Terry said that was correct. It's been that way since before 2013.

He asked if the water toll was going to be lowered from \$42.00 per acre foot for duck water this year. Chairman Hulbert said no, Term 91 was lifted and their watching things closely. Terry said he's not taking water off Butte Creek.

White Mallard automated gate project:

He said the gate would automatically keep the water at the correct level. He says in the spring there's always an issue as to if the water is high enough. He said he's working on the cost involved.

Manager's Report:

Terry said he delivered 18,602 acre feet of water of which 2,720 acre feet of that was \$42 water.

Terry asked how the Board wanted him to prioritize the capital projects. Trustee Bailey recommended by urgency.

Terry said he wasn't able to purchase the dump truck through the last auction but will continue to look.

He said he should know in December if the District is going to be awarded the Water Smart Grant for automated gates at McVey. It will be on a cost share basis of 50/50.

Terry said the Brooks Walker pipe is in really bad shape which Trustee Herkert concurred. Terry said it should be on the Trustee tour for repairs.

He said Dan O'Connell sent the solar project out to 3 people for bids but hasn't heard back to date.

He said he was meeting with a representative of the Hydro Power Project so they can view what we have.

Terry said he would shut off water on January 27th. Terry said he would communicate to the water users the shut off date and no postcards would be mailed out.

Trustee Bailey said the pictures on the wall is missing Andy Zwald. Barbara said it's an ongoing project and there's a lot of people to get pictures and information from.

Trustee Bailey said it bothered him that Barbara and other staff hadn't been reimbursed for expenses and he wanted to take a look at it. Everyone agreed.

Hayden Harter said he understand about the pickup for the District office. But how did it get as far as having a contract signed for a car? Chairman Hulbert said he made the decision and sometimes he has to do that. It was under \$25,000.00. It was not Barbara it was him. Hayden asked what authority Chairman Hulbert has to make that decision. Chairman Hulbert said as Chairman he has to sometimes make decisions for the District. Hayden said the only power the Chairman has is the same power as all the other Trustees. Chairman Hulbert said that wasn't true. He said there's times he has to make decisions for the District and has to make decisions because its critical to the District as he can't call a Board meeting. Then he brings it to the Board. Hayden said he wants the authority of each Board member clarified. Chairman Hulbert asked Barbara to put it on the January agenda.

3:35 p.m. Closed Session:

4:00 p.m. Open Session:

As of 1/1/23

The Board approved raising the retirement contribution to 9% of the employee's annual salary.

The Board approved raising the health contribution from \$1,200 per employee per month to \$1,400 per employee per month.

The raises are as follows:

Terry Bressler \$116,671.02 per year

Barbara Sachs \$36.78/hour

Lynda Resiche \$22.24 per hour

Steve Crawshaw \$34.72 per hour

Dennis Richardson \$18.72 per hour

Bonus:

Terry Bressler \$6,000

Barbara Sachs \$5,250

Lynda Reische \$1,000

Steve Crawshaw \$4,500
Dennis Richardson \$500.00

There being no further business to discuss, the meeting was adjourned at 4:25 p. m.



Ed Hulbert

Chairman of the Board of Trustees



Barbara J. Sachs

Secretary to the Board of Trustees