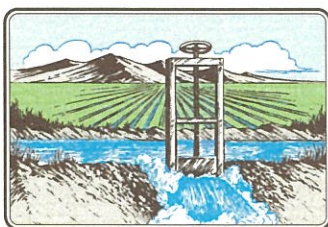


Reclamation District No. 1004



BOARD OF TRUSTEE
PUBLIC HEARING MINUTES
REGULAR BOARD MEETING MINUTES

June 15th, 2022

10:00 a. m.

Board of Trustees present Ed Hulbert, Gary Bailey, Leanne Mord, and Hans Herkert, District Manager Terry Bressler, Secretary to the Board of Trustees Barbara Sachs, Bill Gardner Jr., Kurt Richter and Travis LaViolette. Via telephone Larry Borrelli, Dan Souza, Jack Baber and Deryl Phy.

Chairman Hulbert called the public hearing to order at 10:05 a. m

Agenda:

M/S/C (Mord, Herkert) approve June 15th Public Hearing Agenda.

Vote: Unanimous

Chairman Hulbert asked Barbara if there were any written objections to increasing the water toll from \$19.50 to \$28.00 per acre foot. Barbara replied no.

Chairman Hulbert asked if there were any public objections to the increase in water toll. Bill Gardner Jr. said he would like to see the water users be given a break this year due to the type of year (drought) were having. Chairman Hulbert said he was sensitive to the water users and landowners needs in the District however, the District needs to survive and according to the adopted budget the water toll needed to be increased.

With no further objections, Chairman Hulbert closed the public comments at 10:08 a.m. Chairman Hulbert asked for a motion to adopt Resolution 2022-06 to increase the 2022 water toll from \$19.50 to \$28.00 per acre foot.

M/S/C (Herkert/Borrelli) adopt Resolution 2022-06 to increase the 2022 water toll from \$19.50 to \$28.00 per acre foot.

Vote: Unanimous

Public Hearing was closed at 10:15 a.m.

Open Regular Board Meeting at 10:25 a.m.

Minutes:

M/S/C (Mord, Herkert) approved May 11th Board Meeting minutes as amended.

Vote: Unanimous

Public Comment:

Deryl Phy said he understood there was free water from May 1st through May 9th and asked why the water delivered during this timeline was taken off the water user's allocation. He said it was free water and the water users shouldn't have their allocation reduced until May 10th and thereafter. Deryl asked, who in the District knew about this free water? The Board asked for clarification. Trustee Bailey said, Deryl is saying water users who started taking water prior to May 1st wouldn't have their allocation reduced by the water they took from May 1st to May 10th. He said it was free water and Deryl's asking, who knew about it. Trustee Herkert said he felt no one knew. Trustee Herkert said MBK Engineers was working on it to see how the allocation would work. Chairman Hulbert said there's no extra water to give out. It only gave the District a cushion. Vice-Chairman Borrelli said the water from May 1st through May 10th wouldn't count towards the users allocation per the letter received from the Bureau of Reclamation on May 9th. Terry Bressler said he was given notice late April and he told everybody who was close to taking water and asking them when were they going to start flooding up. Deryl said they (Deryl Phy and Hayden Harter) were pumping well water that they didn't need to pump (the ditch was full of water before May 10th). If someone had told him and Hayden Harter they could take the water and it wouldn't count towards their water allocation they would have done so. Chairman Hulbert asked Terry if the ditches were full why couldn't they take water? Terry replied, he could have but it would have gone against his District water allocation and Deryl asked why? Chairman Hulbert said because the Board hadn't changed the water allocation to water users. He said the District needs to make it to the finish line. Chairman Hulbert said this subject would stay on the agenda and be discussed at further Board meetings.

Deryl asked how many projects over \$25,000 in the past year had gone out to bid? Terry said he would have to look it up and report back at the July Board meeting.

Financials:

Treasurer's Report:

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

Vote: Unanimous

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

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

Vote: Unanimous

Barbara requested approval of interim transactions in the amount of \$17,211.72

M/S/C (Mord, Herkert) approve interim transactions in the amount of \$17,211.72

Vote: Unanimous

Barbara presented accounts payable in the amount of \$109,544.12

M/S/C (Herkert, Mord) approve accounts payable in the amount of \$109,544.12

Vote: Unanimous

Barbara presented the accounts receivable.

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).

Barbara said MBK Engineers invoiced San Luis Delta Mendota Water Authority for 2022 water transfer expenses in the amount of \$13,172.00. Barbara said she also received an invoiced copy from MBK Engineers to East Bay Mud Municipal and asked how East Bay Mud were involved in the water transfer. Terry said because they were involved in the transfer from the start but didn't end up participating.

Barbara said she received the signed contract from the Bureau of Reclamation regarding the 2022 water transfer.

Barbara said she'd received an unemployment claim from Lomo Jiminez. The District will be invoiced for \$68.79 each week.

Barbara presented Somach, Simmons and Dunn new legal rates.

New Business:

1. Rules & Regulations: Chairman Hulbert asked the Board to review the rules and regulations manual and bring their ideas for changes to the July Board meeting as it's been a long time since the last update and some things are redundant.
2. Personnel Manual: Chairman Hulbert asked the Board to review the personnel manual and bring their ideas for changes to the July Board meeting so the manual can be updated.
3. White Mallard Operating agreement: Trustee Herkert said he would like to see the District take care of the operating agreement if there's benefits. Chairman Hulbert said this should be tabled until litigations are settled. Vice Chairman Borrelli said Fish and Game will hold the District responsible for not monitoring the flow over the dam. Terry said Fish and Game were out there all the time but we need to get automation installed through grants. Chairman Hulbert said there's staff gauges for measuring. He said he didn't see where in the permit it's written. Vice Chairman Borrelli said it was on page 10 of the operating agreement. Terry said when Larry Angel worked there it was being monitored but with new

employees there, it hasn't been followed but new staff will start monitoring records. Chairman Hulbert told Terry we need to get monthly reports from them. Trustee Bailey said he's opposed to White Mallard doing anything out there because the District will be held liable. Trustee Herkert asked if we get relief if over 40 cfs goes over the dam and Trustee Bailey said yes. However, he wanted the Board to know if there's a problem at the dam, Fish and Game will come to the District not White Mallard.

4. Standby fee: Chairman Hulbert said Paul Minasian sent a letter to the Board regarding the basis for invoicing standby fees and water tolls. Chairman Hulbert said the Board does have flexibility in this procedure. Chairman Hulbert said the voting rights are based on the deeded acres but the standby fee and water toll are based on FSA farmable acreage. So we've been invoicing correctly and the Board agreed.
5. Biennial Notice: Barbara said this is the annual form that is required by the State to be filed relating to our Form 700 that states the District conflict of interest codes have or have not changed. Chairman Hulbert said the conflict of interest codes haven't changed and requested the Board to approve him signing the required form.

M/S/C (Herkert, Mord) approve Chairman Hulbert signing Biennial Notice form.

Vote: Unanimous

6. Reduction in ditch loss per the request of Travis Laviolette. Travis said he's pumping from the neighbor's pump and the ditch is already primed. He's requesting the Board to lower his ditch loss from 35% to a more reasonable amount. He said he felt the normal 12% covers his ditch loss. He said he's pumping water and picking it back up ½ mile away. Terry said the whole system is between a 38% and 50% ditch loss as he has to keep the ditches full. Chairman Hulbert asked Travis if he could pump directly into the field and Travis said he didn't think so. He'd have to lift it out of Harter's field and Harter is struggling. Trustee Bailey asked how far it was and Travis said 1 ½ miles with contour of the ditch. Trustee Bailey said that was pretty close and 15% ditch loss would cover it. Terry asked what are you going to do for the next person. Trustee Bailey said the Board should develop a mechanics scale for ditch loss following the contour of the canal.

M/S/C (Bailey, Herkert) approve 15% ditch loss for Travis Laviolette based on 1.35 mile delivery retroactive (Travis field is surrounded by planted rice fields).

Vote: Unanimous

Chairman's Report:

1. Shasta is at 40% water level from the little extra rain we had (previously 39%).

2. The Bureau of Reclamation has \$50 million funding to help offset Districts budgets. Chairman Hulbert said taking the money cannot affect our individual growers crop insurance. Our portion of the \$50 million is between approximately \$1 million and \$2 million dollars.
3. There's ongoing discussion regarding the voluntary agreements. The timeline is 10 years. Chairman Hulbert said Regulatory agencies and Fish and Wildlife want to take unimpaired flow at 55% from us which comes out to 1 million acre feet. Sacramento River Settlement Contractors are suggesting giving up a little bit and be paid for it which comes out to 250,000 acre feet of water. He said it would be a 2-3 step program but it hasn't been finalized.
4. NRDC filed a petition against the State Water Board regarding the 18% allocation the Districts received.
5. Spring run salmon-NCWA said 2021 had the biggest run of salmon in 60 years. They reported 21,000 more fish went up and 1800 fish that spawned is the largest in the last 30 years.
6. Sacramento River Settlement Contractors filed a petition against the State Water Board regarding the 18% water allocation Districts received. In the orders that were issued it gives the State Board too much power to make arbitrary decisions and SRSC doesn't like it.
7. Term 91 – MBK Engineers filed the necessary paperwork to the State showing our water rights and how we're taking water. This will be an agenized item for July.

Manager's Report:

1. Terry said he's sold 14,300 acre feet of water. 3,500 acre feet to growers, 3600 acre feet to the water sale, 2700 acre feet has been delivered and 8,000 acre feet to be delivered. He said there's 6100 acre feet of water left in the river and he budgeted Butte Creek water at 5000 acre feet and has used 1685 acre feet.
2. Terry said he hired a long reach excavator to do work at the Bifurcation by Sanborn. Terry said he's seeing leaks in Butte Creek and hopes this will help.
3. Terry said 536 acre feet of water was pumped from 3 wells (2 at Princeton and 1 at Avis)
4. Terry said the Board requested a list of his top 11 projects. He said the Board removed a project for \$51,000. He said they did some work on the crossing under the Gridley Highway but needed to complete the job this year instead of the new crossing at the Gridley Highway so he would use that \$51,000 for repairs.
5. Terry said Howard Loewen is requesting to sell his 295 acre feet water allocation in the water transfer. He said he feels Tehama Colusa Canal would purchase the water which will bring the transfer up to 4,000 acre feet of water to be transferred. The Board directed Terry to move forward.
6. Terry said the new well at Princeton should be finished July 18th.
7. Terry said the East side of the fish ladder at the White Mallard Dam has a 2" crack to seal.
8. Terry said growers will be running out of water. He said if the grower is out of water, he can use the District well and sell the pumped well water for \$250.00 an acre foot. Vice Chairman Borrelli said he doesn't want to gouge growers. He said he'd like to see the District get a little cushion over costs.

M/S/C (Herkert, Bailey) If well water is available, any new water delivered above the water users allocation will cost \$250.00 per acre foot of water.

Vote: Unanimous

- Trustee Bailey said he would like to see garlon applied to the canals. He said it's an idea year to do it right now as we're not getting the saturation that's needed to kill the weeds. He suggested getting a 1,000 gallon tank and start early (8:00 a.m.) before it gets 80 degrees. The Board agreed and gave direction to Chairman Hulbert, Trustee Bailey and Terry to approve a custom job.

Chairman Hulbert left the meeting at 1:00 p.m. Break for lunch

1:30 p.m. to closed session

Vice Chairman Borrelli presided over meeting due to the absence of Chairman Hulbert.

OPEN SESSION: 2:45 P.M.

The Board gave direction to Hans Herkert regarding the White Mallard.

The contract with Barbara Sachs for reduced work hours was reviewed.

M/S/C (Herkert, Bailey) approved contract with Barbara Sachs for reduced work hours and terms.

Vote: Unanimous

Lynda Resiche 6 month evaluation was reviewed.

M/S/C (Borrelli, Bailey) approve \$1.50 per hour wage increase (\$19.00 per hour to \$20.50 per hour)

Vote: Unanimous

There being no further business to discuss, the meeting was adjourned at 3:53 p. m.



Ed Hulbert

Chairman of the Board of Trustees



Barbara J. Sachs

Secretary to the Board of Trustees