

RECLAMATION DISTRICT NO. 2029  
**400 E. Kettleman Lane, Clear Suites**  
**Lodi, CA 95240**

PLEASE TAKE NOTICE that at 8:30 a.m. on Wednesday, March 13, 2024, the Board of Trustees of Reclamation District No. 2029 will meet at the law offices of Alan Richard Coon, 400 E. Kettleman Lane (Clear Suites offices), Lodi, CA ("Business Address"). This Special Meeting will be located in the conference room at Business Address. The Board reserves the right to advance items or consider matters out of order.

Public Comment: Public comment is to begin promptly at 8:30 a.m. Public comments on agenda items will be limited to 5 minutes at the discretion of the Board Secretary. Public comments only permitted at start of meeting and may address information and action items;

1. Manager's Report: Manager Jim Harvey will provide an overall update of the status of levees, pumps, herbicide control and levee road conditions. Manager may provide an update on the leak at south east corner of the island adjacent to Ashley Lane Property (Foppiano).
2. Engineer's Report: District's engineers, MBK Engineers, will provide update on Application for 2024-2025 Subventions Work and overall condition of levees and drain systems. See also Engineer's Report which is attached and incorporated herein by reference and which may contain matters requiring "Action" to be added below in the Action Item section of the Agenda;
3. Secretarial and Financial Matters. Secretary will provide financial reports including current status of warrants and temporary request to increase "cap" on current limits; update on Appeal of Campagna lawsuit; current monthly bills and expenses; and status of Solar Project which may be combined with Action and Closed Session Items, discussed infra.
4. Action Item(s):
  - A. Consider Action Approving current invoices and related payments;
  - B. Consider approval of minutes for October and December, 2023. Draft Minutes will be presented at meeting following Board Member review;
  - C. Consider Action Approving 2023-2024 Annual Audit;
  - D. Consider authorizing, ratifying, approving and granting further discretion to Secretary, or when absent, a Trustee, to the Submission of the 2024-2025 Subventions Program and thereafter execution of Work Agreements and all related agreements related to Subventions Program for years 2024-2025;

- E. Consider authorization and ratification of action related to or concerning design and review of proposed turnarounds, gates and bypasses for the proposed partial abandonment of Empire Tract Road;
- F. Consider selection of alternative contractor (second submitter) for Solar Project and thereafter authorizing and directing General Counsel/Secretary to seek construction and financing options;
- G. Consider and authorize contract with SCI Consulting Group (“SCI”) formation of/and election for a Special Benefit Assessment as outlined in attached SCI’s Proposal;
- H. Consider Action for Special Benefit Assessment for Appeal (Prop. 218);
- I. Consider and authorize Secretary to contact Bank of Stockton, F&M Bank and other interested banks for replacement of high interest bearing warrants and future warrant business as current warrant agreement expires on Jan. 15, 2025; and
- J. Proposal for lease (or sublease) of land from Munger Bros. for placement of future Solar Project.

5. Informational Item:

Status of Appeal in Campagna Matter  
Reminder of need to turn in Form 700  
Update on Delinquent Assessment  
F & M Rate letter (interest rate of 8 ½ %) – March 1, 2024

6. Closed Session: 1. Conference with Legal Counsel – Existing Litigation and Appeal Status. Government Code §54956.9 (a) *Campagna et al v. RD #2029 STK-CV-UED-2018-5895* Complaint; One Matter: Govt. Code section 54956.9(a), (c) and (d). 2. Conference with Legal Counsel and Real Property Negotiator regarding Empire Tract Road Abandonment and related matters (Encroachment, Ingress & Egress and Access Agreements) Government Code section 54954.5(b) and 54956.8; and 3. Conference with Legal Counsel and Real Property Negotiator regarding Solar Project. Government Code section 54954.5(b) and 54956.8.

7. Adjournment:



Dated: March 6, 2024

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Alan Richard Coon, Secretary  
Reclamation District No. 2029

**AGENDA ITEM 2**

**MEMORANDUM**

March 13, 2024

**TO:** Reclamation District No. 2029  
**FROM:** Michael Moncrief  
**SUBJECT:** March 2024 Engineer's Report

Board Members and Representatives:

Described below are the engineering items to be discussed at your March 2024 meeting.

**2022-23 Subventions** – Your Subventions Inspection was performed and CDFW has approved your claim. We are waiting for coordination with DWR on the financial review of your claim.

**Subventions 2023-24** – Your approved application was submitted for the current Subventions year. At this time, this is the last year where the program has dedicated funding guaranteed. See attached program resolution for approval and discussion.

**Subventions 2024-25** – Attached is your draft application for the upcoming fiscal year. DWR has notified the Delta Publically that a \$14 million program would be covered by DWR. There is currently no encumbered funds, but applications are due April 1. It is anticipated that DWR will authorize a budget change proposal (BCP) to move funds internally from other programs or funding sources to fund the 2024-25 program year. The tentative line item maintenance categories are shown below for your consideration. This is a copy of the 2023-24 application submittal, with increases for subsidence, slipouts, animal control and access control to address current issues on the western side of the District.

Annual Routine Maintenance Items	Estimated Cost (\$)
Levee Inspection/Patrol	15,000
Rodent Control	15,000
All Weather Roadway	75,000
Subsidence, Sloughing, and Slipouts	50,000
Debris Removal	5,000
Seepage Control	25,000
Clean Drains and Toe Ditches	5,000
Vegetation Control	40,000
Waterside Slope Protection	200,000
Flood Planning and Preparation	5,000
Remove or Modify Encroachments	5,000
Surveying	25,000
Engineering	50,000
Misc. (gates, signage, etc.)	40,000
Environmental (CDFW, CEQA, etc.)	1,000
<b>Total Routine Maintenance</b>	<b>\$556,000</b>

**FEMA/OES Update** – The District is working through OES coordination for cost recovery from FEMA for 2023 eligible emergency measures. Timing of funding is uncertain, but coordination moving forward is with State OES only. Final form submittal and coordination is ongoing

**Tinsley-Medford Ferry Landing Special Conditions** – MBK prepared special conditions for District consideration to support both CVFPB endorsement of that State of California permit and the RD 2029 encroachment permit process. I am available to discuss the draft special conditions attached.

**Empire Tract Roadway Access Control** – MBK has been supporting District and San Joaquin County Efforts to collaborate on design and cost estimates for potential access control south of Eight Mile Road, as proposed back in 2009-2014. The proposed access control and levee structure modifications are meant to support public safety and long-term levee safety.

**City of Stockton Water Supply Project** – MBK will be working with the District and Shannon&Wilson to support District and City efforts to review final as-built drawings and project close-out processes. The final title transfer and release of escrow has not been completed. Coordination with City and District to review and close out project should be performed this spring-summer prior to next flood season.

**Early Spring 2024 Monitoring-Maintenance Activities** – Flood and Spring Runoff monitoring

- 1) Erosion Repair Planning - There are over 30 sites that still need to be addressed and prioritized for repairs. We recommend utilizing the submitted LSAA with CDFW (# 1600-2016-0367-R3 which is active through 2025) to have permit coverage to perform the repairs, starting with the most critical this later summer/fall. Work outside this permit coverage could be done under your RMA over several years. Estimated cost for all erosion repairs is over \$900,000. Critical, serious and monitor site lists have been sent to the District; MBK strongly recommends repairing all remaining critical and serious sites in year 2. Potential flood fighting for remaining unrepaired critical and serious sites may be required this flood season. A list of priority sites were provided in November 2023 for consideration of repair under a sole source contract, see attached list of critical monitoring sites.
- 2) Levee Patrol should continue to evaluate site conditions and monitor, when patrolled for active levee movement and seepage while repairs are being planned. We have occasionally checked conditions on the west levee, north of Eight Mile Road for any change in conditions.
- 3) Levee sloughing, cracking, rodent repairs, landside anomalies – The District should consider a contract to repair and investigate landside cracking, sloughs and voids in the slope and toe of the levee at multiple locations. This can be done with sole-source contracting starting at our most vulnerable locations to investigate and explore necessary repair or rehabilitation needs. This work should be monitored by MBK or a geotechnical engineer. Consider a budget of \$25,000 to focus on most active areas first. Memo's were provided to District to support future actions during the winter.
- 4) Multiple deferred seepage projects are outstanding at this point for future prioritization.
- 5) Roadway Maintenance –Roadway rutting, gravel repairs have been done recently, potential need for additional road work may be required this year. Consider placeholder for additional funds for roadway maintenance, grading and supplemental rock, as necessary. A recent HMP survey performed in May 2022 showed levee areas that have settled below the 1-foot of freeboard required to meet HMP standards.
- 6) Vegetation Control, spraying as necessary and mowing or livestock. Much of this has been landowner responsibilities on the landside of the levee. Spraying costs could be higher, if contracted consider a budget of at least \$25,000. All efforts to clear and cut landside slope vegetation once the levees have tightened up is important every year.
- 7) Animal Control, as necessary. Consider repairing and installing new bait boxes on landside slope of levees and perform repairs of rodent activity. Due to concerns with sinkholes which have been

tied to animal dens and burrows in the past, consider increasing this budgetary item to \$15,000 for anomaly excavation and den removal.

- 8) Pumpstation repairs to main pumphouse: any additional pipe/pump issues to address? Harris valve replacement; shifting pumps on platforms? Any damages from vehicle retrieval efforts that need to be addressed?

**TOTAL BUDGET CONSIDERATION for additional Repairs, or Maintenance work for 2024-25  
\$250,000 - \$350,000 to keep up with critical/serious erosion repairs**

**Flood Fight Supplies/March Storms** – Ensure you have adequate flood fight supplies. While we will be experiencing a series of storms, the system still has capacity, although much less than we did in early January. There are active regular County and DWR meetings discussing the snowmelt runoff projections; don't hesitate to contact us with any issues or questions.

**River Delta Consulting Component**

**Delta Adapts** – A stakeholder workshop was held March 1 in Walnut Grove. The gathering was a very high-level presentation of what to expect when the final edition of the Adaptation Strategy is released later this spring.

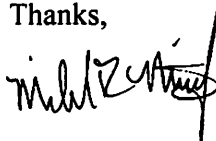
**DPIIC** – The Delta Plan Interagency Implementation Committee (DPIIC) has two upcoming meetings. First, on March 7, the DPIIC Restoration Subcommittee will be meeting. Second, the fall gathering of all DPIIC agencies will be held April 15.

**DLIS** – The latest Delta Levees Investment Strategy (DLIS) became law as of January 1, 2024. In addition, the DLIS Decision Making Tool has been released. We will keep you informed if the decision making tool would be of value to your district in the future.

**Advanced Programmatic Mitigation** – The group met in February. It plans to conduct a boat inspection in March to review existing habitat sites.

**Delta Independent Science Board** – The DISB is working on completing its draft white paper on subsidence management in March. During its February meeting, the DISB heard from the DSC on the DLIS decision making tool. The DISB had a number of questions about how fragility curves were developed. The DSC responded that it could not find enough existing data to develop detailed fragility curves for all islands, so it adopted a middle-risk curve shape; which is essentially the overtopping risk.

Thanks,

A handwritten signature in black ink, appearing to read "Michelle" followed by a stylized surname.

DELTA FARMS RECLAMATION DISTRICT NO. 2029  
(EMPIRE TRACT)  
LAW OFFICE OF ALAN R. COON  
400 EAST KETTLEMAN LANE, SUITE 20-K  
LODI, CA 95240  
TELEPHONE: (209) 601-9624  
arcoon@arcoonlaw.com

Trustees:

James Harvey  
Chris Podesta  
Michael Quartaroli

Secretary and Attorney:

Alan Richard Coon

Engineer:

Mike Moncrief

March 8, 2023

Andrea L. Lobato, P.E., Manager  
Delta Levees Program (Subventions)  
Department of Water Resources  
P.O. Box 942836  
Sacramento, CA 942836-0001

**Subject: Reclamation District No. 2029  
Delta Levees Maintenance Subventions Program  
2024-2025 Application**

Dear Ms. Lobato:

In accordance with Section 3.1 of your Delta Levees Maintenance Subventions Program Procedures and Criteria (adopted August 26, 2016), and your letter dated February 7, 2024, Reclamation District No. 2029 (District), hereby notifies you of its intent to participate in the Subventions Program for fiscal year 2024-2025.

Attached is the District's application, drafted in agreement with the above procedures and criteria. If you have any questions regarding the application, or require additional information, please contact Michael Moncrief of MBK Engineers at (916) 4564400.

Very truly yours,

Alan R. Coon, District Secretary

NL

4300.1 RD 2029 ANDREA LOBATO

cc: Central Valley Flood Protection Board (without enclosures)  
Mr. Todd Gardner, Department of Fish and Wildlife  
MBK Engineers



RECLAMATION DISTRICT NO. 2029 ENCROACHMENT PERMIT NO. \_\_\_\_\_

PERMIT BETWEEN RECLAMATION DISTRICT'S 2041 and 2108. AND RECLAMTION DISTRICT NO. 2029

INSTALL OF RD 2041/RD 2108 FERRY RAMP PROJECT on EMPIRE TRACT ROAD

RD 2029 LEVEE STATION 387+40: Lat/Long coordinates 38.04399°, -121.49830°

### SPECIAL CONDITIONS

- 1) Permittee is responsible for the operation, maintenance, repair, rehabilitation and replacement of the proposed permitted features including the demolition, removal, and off-site disposal of all existing ramp features; and installation of Project including new approach/apron, piling, structural supports and decking elements of new ramp feature, as shown in the Plan Set "Empire Tract Shorten Existing Ramp and Strengthen Levee Bank Plan Set" (3 Pages) with most recent plan notes referencing MLLW update dated March 29, 2021, as shown by the cross section drawing(s) reviewed by Reclamation District No. 2029.
- 2) Project identifies nine (9) H-piles in their drawings and a reinforced concrete slab approach/apron as the support structure for the ferry decking and approach to the ferry deck.
  - a. The geotechnical investigation of these structural elements and the performance of these features is the responsibility of the permittee, based on their engineering investigations and design recommendations/evaluations.
  - b. The RD 2029 levees are subject to movement over time; both consolidation and settlement occurs over time, and storm and other natural related events may cause changes to conditions in and around this encroachment and project. Any required OMRR&R of RD 2029, and the changes to the levee embankment within the District fee title lands may require the permittee to modify their encroachment
- 3) The design elevations and depth of support pilings are not identified clearly in the drawings provided; any change in conditions, including seepage or settlement that may occur due to piling or vibratory placement of structural supports will be addressed by the permittee as part of their project costs.
- 4) The Project design illustrates the concrete slab approach tied to the hypothetical asphalt roadway, i.e. waterside shoulder of the "Levy Road". This elevation over time may settle and shift due to forces described above. A normal act of maintenance of RD 2029 is to periodically rehabilitate the levee to maintain a certain level of flood protection. Any modification of the concrete slab approach to match future OMRR&R activities is the responsibility of the permittee.
- 5) The Project is responsible for obtaining all necessary environmental documentation and permit authorizations necessary for the type of project; RD 2029 is not a lead agency authorizing the Project, environmental documentation, design, or permitting associated with the Project.
- 6) Any RipRap quarry stone bank protection or embankment fill disturbed during construction shall be replaced and regarded to pre-existing conditions.
- 7) Backfill material must be compacted to density greater than the existing levee.



- 8) Disturbed material on the crown and landside slope shall be compacted and graded to provide smooth transitions and not allow ponding of rain water.
- 9) The Project must coordinate with all easement holders and landowners prior to Project implementation; RD 2029 is not the sole authorizing local public agency.
- 10) RD 2029, shall be contacted at least 5 days in advance of construction to allow time for District to observe installation.
- 11) Any damage caused by this feature, regardless of the existing conditions is the responsibility of the Permittee.
- 12) An analysis should be performed to show that any discharge from this Project does not impact the Empire Tract Road County Right-of-Way; designs should consider the potential future modification of County ROW embankments. Any damage caused by this feature, regardless of the existing conditions is the responsibility of the Permittee.
- ~~13) The Permittee is responsible for any impacts associated with the ability of the drainable lands, and their ability to drain, in associated with this modification. Any connection of these lines leading towards the levee, and along the waterside of the levee are the responsibility of the Permittee and owner.~~
- 14) Permittee is responsible to adhere to their design drawings, or provide modified as-built drawings that match the installation; any significant modification must be available for review prior to installation. Any modifications that affect permit authorizations from State/Federal or other agencies must be provided prior to RD 2029 authorization of modification.
- 15) The Permittee will maintain all records, materials certificates, compaction tests and warranties on the construction of the project.

## Site Data

**Reclamation District No. 2029 - Empire Tract**  
 Eroded Slopes or High Energy Damaged Sites  
 Bank Protection Project(S) 2023 Damaged Sites

CRITICAL PRIORITY SITES				
SITE NUMBER	BEGIN STATION	END STATION	LENGTH (FT)	QUANTITY (TON)
1	6+75	7+75	100	70
2	18+00	19+00	100	70
3	46+50	47+50	100	70
4	54+60	55+00	40	30
5	61+00	62+00	100	70
6	93+50	94+50	100	70
7	117+00	118+00	100	70
8	119+00	119+50	50	40
9	121+00	122+00	100	70
10	124+00	124+50	50	40
11	125+00	126+00	100	70
12	126+50	127+50	100	70
13	134+00	135+00	100	70
14	136+80	137+30	50	40
15	138+40	139+25	85	60
16	145+00	151+00	600	420
17	169+25	174+75	550	390
18	174+75	176+00	125	90
19	211+00	212+50	150	110
20	308+00	309+00	100	70
21	404+00	413+00	900	630
22	414+50	416+50	200	140
23	421+00	422+00	100	70
24	449+00	452+00	300	210
25	457+00	458+00	100	70
26	465+25	471+00	575	400
27	493+50	495+00	150	110
28	502+00	503+00	100	70
<b>TOTALS</b>			<b>5,225</b>	<b>3,690</b>

Completed under 2029-08-23-1

<b>2023 Erosion Project Cost</b>	<b>\$100,283.61</b>
<b>REMAINING COST ESTIMATE</b>	<b>\$140,000</b>

**RESOLUTION  
OF THE BOARD OF TRUSTEES  
OF RECLAMATION DISTRICT No. 2029  
Resolution # \_\_\_\_\_**

**RESOLVED** that the work included in Reclamation District No. 2029's ("District") 2024-2025 Delta Levees Maintenance Subventions Program Application consists of the maintenance and/or repair of existing levee improvements which involves negligible or no expansion of said improvements' existing uses and, hence, falls within the categorical exemption to the California Environmental Quality Act set forth in California Code of Regulations, title 14, section 15301; that said work does not constitute an exception to the exemptions of the California Environmental Quality Act; and that the District's Engineer is authorized to prepare and file with the County of San Joaquin the appropriate Notice of Exemption on behalf of the District.

**RESOLVED** that the President or Secretary of Reclamation District No. 2029 be and hereby is authorized to execute on behalf of this District that Agreement between the Central Valley Flood Protection Board and the District covering participation in the Delta Levees Maintenance Subventions Program pursuant to Part 9, Division 6 of the Water Code as amended by SB 34, Chapter 28, Statutes of 1988 for fiscal year 2024-2025 and the work to be reported to the State thereunder is determined to be categorically exempt under the California Environmental Quality Act (Pub. Resources Code, § 21000 et seq.) for the reasons set forth above.

**CERTIFICATION**

I, Alan Richard Coon, Secretary of Reclamation District No. 2029, do hereby certify that the above is a true and correct copy of the resolution duly adopted by the Board of Trustees of Reclamation District No. 2029 on this day, \_\_\_\_\_, in Lodi, California.

\_\_\_\_\_  
Alan Richard Coon  
Secretary



WALTER BOUREZ, III, P.E.  
DON TRIEU, P.E.  
DARREN CORDOVA, P.E.  
NATHAN HERSHEY, P.E., P.L.S.  
LEE G. BERGFELD, P.E.  
BEN TUSTISON, P.E.  
THOMAS ENGLER, P.E., CFM  
MICHAEL MONCRIEF, P.E.  
NICOLE ORTEGA-JEWELL, PMP  
KYLE KNUTSON, P.E.  
ANNE WILLIAMS, P.E.

FOUNDERS:  
ANGUS NORMAN MURRAY  
1913-1985  
JOSEPH I. BURNS  
1926-2021  
DONALD E. KIENLEN  
1930-2023

January 29, 2024

Mr. Alan Coon, Secretary  
Reclamation District No. 2029  
400 East Kettleman Lane, Suite 20-K  
Lodi, CA 95240

VIA EMAIL: [arcoo@arcooanlaw.com](mailto:arcoo@arcooanlaw.com)

**Subject: Reclamation District No. 2029: Empire Tract  
Waterside Erosion, Anomalies and Parallel Utilities  
2024 Flood Season Update:  
Repairs Required Between Station 310+00 and 324+00**

Dear Secretary Coon:

MBK Engineers performed a recent site review on January 10, 2024 to follow up on the site review performed October 19, 2023. The intent of the review was to determine if additional damages and levee movement is occurring on the waterside of the levee at the stationing being monitored north of Eight Mile Road between 310+00 and 324+00.

The recent inspection was performed after a series of rainfall events that have started to saturate the levees. The natural high tides for the year have come through the Delta without significant timing connecting to major atmospheric rivers of storm surges.

There are no significant discernible differences in conditions beyond a few sparse areas where minor changes in new erosion were identified. See attached photo set from January 10, 2024 and October 19, 2023 comparing site conditions. These photos can be utilized moving forward in the flood season to document significant changes in conditions.

The levee being monitored is exposed and susceptible to high energy storm events and conditions could deteriorate quickly without the needed repairs to address existing conditions and subsequent impacts. The existing sinkholes should be repaired as soon as possible, and existing erosion should be monitored for changes in condition. Future repairs should be planned for this year to address maintenance and repair sites along this site.

### **ENCROACHMENT ISSUES**

The waterside levee slope has numerous buried parallel utility lines that provided water, power, phone, and other utilities to docks and gangways along this stretch of levee. The encroachment permit status of these features is unknown. Parallel utilities along the slope of levees limit the ability of the District to perform necessary maintenance and repairs; parallel utilities can also bridge and mask voids in the levee which leads to masked levee damages until there are larger

slope failures that occur. Any repairs of damaged levee segments will require complete removal of these utilities, and notification to USA alert prior to exploration and repair along with testing to ensure there are no active power or water lines.

### **LEVEE FAILURE MODES**

During the levee inspection, on October 19, 2023, the primary waterside slope levee failure modes that were identified were erosion, cracking, sloughing, and possible animal activity.

#### EROSION

As shown in the attached photos there are linear features of erosion damage due to high energy storm events, coupled with longitudinal utility features and unprotected or armored slopes. The marina does have riprap protection, but it's primarily at or just slightly above the mean high-water elevation. The mid and upper levee slopes are unprotected and require slope repairs along most of the site.

#### CRACKING


Numerous photos show cracking due to unstable conditions, utility lines, and possible unknown voids within the embankment. Several of these sites show depressions in the slope embankment where caving or slope failure have occurred. These sites require exploration to expose any potential buried anomalies or voids in the levee. Cracking could be due to the erosion and steep slopes as well.

#### SINKHOLES

The sinkhole and likely active void near the gangway approach to the maintenance building at the north end of the marina near station 311+50 is a critical site. This location has already been repaired once, in late 2022 and requires additional expanded exploration and repairs. This exploration will likely require removal of features associated with encroachments in the levee surrounding this location including several gangway features and abandoned/existing utilities.

If there are any questions, please notify me at your convenience. I can be reached at (916) 761-1281 or (916) 456-440 or by email at [moncrief@mbkengineers.com](mailto:moncrief@mbkengineers.com).

Sincerely,  
MBK ENGINEERS  
Engineers for Reclamation District No. 2029



Michael Moncrief, P.E.

MM/

RD 2029\_Site Inspection\_Waterside Repairs\_2024-01-29

cc: Via Email RD 2029 Trustees Jim Harvey, Michael Quartaroli and Chris Podesto



RECLAMATION DISTRICT NO. 2029 ENCROACHMENT PERMIT NO. \_\_\_\_\_

PERMIT BETWEEN RECLAMATION DISTRICT'S 2041 and 2108. AND RECLAMTION DISTRICT NO. 2029

INSTALL OF RD 2041/RD 2108 FERRY RAMP PROJECT on EMPIRE TRACT ROAD

RD 2029 LEVEE STATION 387+40: Lat/Long coordinates 38.04399°, -121.49830°

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- 7) Backfill material must be compacted to density greater than the existing levee.

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### Site Data

Reclamation District No. 2029 - Empire Tract  
 Eroded Slopes or High Energy Damage Potential Sites  
 Bank Protection Project(S) 2023 Damaged Sites

SERIOUS PRIORITY SITES				
SITE NUMBER	BEGIN STATION	END STATION	LENGTH (FT)	QUANTITY (TON)
29	63+50	64+50	100	70
30	65+50	66+50	100	70
31	80+00	81+00	100	70
32	126+00	143+50	1,750	1,230
33	154+00	159+00	500	350
34	194+50	195+00	50	40
35	198+75	201+25	250	180
36	215+50	222+00	650	460
37	233+50	236+00	250	180
38	295+00	296+00	100	70
39	313+00	317+00	400	280
40	346+50	350+50	400	280
41	375+00	377+00	200	140
42	519+50	523+00	350	250
43	531+00	532+50	150	110

**TOTALS**            5,350            3,780

**COST ESTIMATE**            **\$265,000**

### Site Data

Reclamation District No. 2029 - Empire Tract  
 Eroded Slopes or High Energy Damage Potential Sites  
 Bank Protection Project(S) 2023 Damaged Sites

MONITOR-WATCH PRIORITY SITES				
SITE NUMBER	BEGIN STATION	END STATION	LENGTH (FT)	QUANTITY (TON)
44	4+00	102+00	9,800	6,860
45	105+00	108+00	300	210
46	191+75	192+00	25	20
47	228+00	231+00	300	210
48	239+00	241+00	200	140
49	241+50	247+00	550	390
50	251+50	253+00	150	110
51	318+00	319+00	100	70
52	354+00	358+00	400	280
53	378+50	379+00	50	40
54	447+00	448+00	100	70
55	515+00	516+00	100	70

**TOTALS**            12,075            8,470

**COST ESTIMATE**            **\$593,000**

**AGENDA ITEM 3**



**AGENDA ITEM 4A**

2:07 PM  
03/10/24  
Cash Basis

**Reclamation District #2029**  
**Expenses by Vendor Summary**  
**July 1, 2023 through March 10, 2024**

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	<u>Jul 1, '23 - Mar 10, 24</u>
Alan R. Coon	26,020.79
Asta Construction Co., Inc.	115,488.70
CA Department of Tax and Fee Administrati	2,576.85
California Special Districts Association	397.00
Celli Ranches Inc	12,955.00
Cristina Hartsock	900.00
D.A. Archer Excavating	33,185.00
Delta Growers, Inc.	18,908.13
Delta Protection Service	1,785.00
Diane Dias	4,479.49
James Harvey	16,500.00
Katie Wiley	150.00
Kronick Moskovitz Tiedemann & Girard	292.50
MBK	39,589.65
Miscellaneous	2,195.00
PG&E	133,589.07
Safeguard	213.06
San Joaquin Co. Mosquito & Vector Control	19.86
San Joaquin County Dept. of Public Works	0.00
Schwartz, Giannini, Lantsberger & Adamson	6,135.00
Security Lock & Key	475.69
Stagi Enterprises	18,600.00
Valley Pacific Petroleum Services, Inc.	924.94
<b>TOTAL</b>	<b><u>435,380.73</u></b>

Reclamation District #2029

3/10/2024 2:06 PM

Register: RD 2029 F&M Bank  
 From 01/01/2024 through 03/10/2024  
 Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
01/03/2024	2493	Delta Growers, Inc.	Accounts Payable	Chemicals	5,000.00	X		23,465.48
01/03/2024	2496	PG&E	Accounts Payable	VOID: 1499		X		23,465.48
01/03/2024	2497	MBK	Accounts Payable	VOID: 12633		X		23,465.48
01/03/2024	2501	Celli Ranches Inc	Accounts Payable	Fire Damage	12,955.00	X		10,510.48
01/03/2024	2502	PG&E	Accounts Payable	1499- this was ...	6,020.33	X		4,490.15
01/07/2024	2503	Kronick Moskovitz T...	Accounts Payable	Campagna Real...	162.50	X		4,327.65
01/07/2024	2504	San Joaquin Co. Mos...	Accounts Payable	Assessment 20...	19.86			4,307.79
01/07/2024	2505	MBK	Accounts Payable	12834	2,387.71	X		1,920.08
01/07/2024	2506	MBK	Accounts Payable	12633	3,930.65	X		-2,010.57
01/07/2024	2507	PG&E	Accounts Payable	1499	21,932.41	X		-23,942.98
01/07/2024	2508	Diane Dias	Professional Services:S...	January	650.00	X		-24,592.98
01/07/2024	2509	James Harvey	Professional Services:...	December	2,000.00	X		-26,592.98
01/08/2024	2510	Delta Growers, Inc.	Materials & Supplies:C...	95940 and 96094	1,893.82	X		-28,486.80
01/08/2024	2511	Alan R. Coon	Accounts Payable	VOID:		X		-28,486.80
01/08/2024	2512	PG&E	Accounts Payable	1624	1,024.70	X		-29,511.50
01/09/2024	Debit	Miscellaneous	Miscellaneous Expense	Loan Transatio...	2,195.00	X		-31,706.50
01/15/2024	Deposit	S.J. Co. Warrant	Accounts Receivable:C...	1136-1146		X	55,000.00	23,293.50
01/15/2024	2513	San Joaquin County ...	Uncategorized Expense...	VOID:		X		23,293.50
01/31/2024			Bank Charge	Service Charge	30.00	X		23,263.50
01/31/2024	2515	PG&E	Accounts Payable	1499	27,216.39	X		-3,952.89
01/31/2024	2516	PG&E	Accounts Payable	1624	30.21	X		-3,983.10
01/31/2024	2517	MBK	Accounts Payable	13157	1,392.64	X		-5,375.74
01/31/2024	2518	Stagi Enterprises	Accounts Payable	289 1 of 4	6,200.00	X		-11,575.74
02/05/2024	Deposit	S.J. Co. Warrant	Accounts Receivable:C...	1147-11532		X	35,000.00	23,424.26
02/13/2024	2519	James Harvey	Professional Services:...	February	2,500.00	X		20,924.26
02/13/2024	2520	Diane Dias	Professional Services:S...	February	650.00	X		20,274.26
02/13/2024	2521	Alan R. Coon	Accounts Payable		11,082.79	X		9,191.47
02/29/2024			Bank Charge	Service Charge	60.00	X		9,131.47
03/10/2024	2522	MBK	Accounts Payable		3,088.63			6,042.84
03/10/2024	2523	PG&E	Accounts Payable	1499	27,085.46			-21,042.62
03/10/2024	2524	PG&E	Accounts Payable	1624	27.47			-21,070.09
03/10/2024	2525	California Special Di...	Accounts Payable	Annual membe...	397.00			-21,467.09
03/10/2024	2526	Alan R. Coon	Accounts Payable	ETR Abadonm...	5,650.00			-27,117.09
03/10/2024	2527	Schwartz, Giannini, ...	Accounts Payable	100177	135.00			-27,252.09
03/10/2024	2528	Diane Dias	Professional Services:S...	mARCH	650.00			-27,902.09
03/10/2024	2529	James Harvey	Professional Services:...	March overpai...	2,000.00			-29,902.09

~~TX~~ TX ATW. = 35.00

**AGENDA ITEM 4B**



## **Reclamation District No. 2029**

400 E Kettleman Lane, Clear Suites

Lodi, California

December 6, 2023

### **MINUTES**

A special meeting of the Board of Trustees of Reclamation District No. 2029 was held at 400 E Kettleman Lane, Clear Suites, Lodi, CA at 8:30 a.m. on December 6, 2023. A quorum was present.

Present: Trustees Mike Quartaroli, Chris Podesto and Jim Harvey; Secretary Alan Coon. Also, present were the following landowners, Jeff Weinstein, Joe Baglietto, and Wes Day.

Public Comment. There was none.

3. Financial Matters: The Board advanced Item #3, the Financial Matters where at Secretary Coon referred to the status on the “cap” on warrants interest rates (not at 8.50%, starting at \$110,000 subvention work project last month instead of usual spring (after assessments were paid) and higher than usual electrical bills. Secretary advised that he would ask the Board to grant discretion to Secretary and one Trustee to negotiate and execute any amendment to F&M Warrant Agreement to permit temporary increase in cap from \$750,000 to \$900,000. Secretary advised of approximately \$270,000 om assessment payments to be received by end of January 2024, plus \$100,000 for reimbursement under subventions program 2022-2023 and approximately \$50,000 from Cal OES and FEMA for reimbursement under emergency funding.

Whereupon, Landowners asked about status of possible special assessment for payment of damages if appeal of Campagna judgment is unsuccessful. Secretary Coon advised he had contacted SCI (John Bliss) about handling and opportunity to structure payment for each respective landowner over a ten (10) year period. Secretary further advised that he had contacted lenders (Bank of Stockton, F&M Bank) regarding funding with good interest at about a 6% to 6.5% range. In addition, discussion was had about purchase (retirement of current 8.5% warrants, approximately \$400,000 at a repayment of 6% to 6.5%. Board directed Secretary to explore both matters (Special Assessment and retirement of 8.5% Warrants) to include agreement with SCI Consulting.

1. Manager's Report. Manager Harvey reported on preparation for rainy season and conditions of pumps. Manager said all pumps were served and that 60 JHP pump was only operating at 35% efficiency, i.e. will need future repair or replacement. Manager reported that the use of "systemic" herbicide this year, while expensive, will be a future cost savings and allow for the viewing of levee toe during rainy season. Manager Harvey noted that Secretary's concern with invoices for herbicide supplier was resolved because they overbilled. In fact, Manager Harvey returned some product and District has a credit. Manager noted increasing homeless cap, which required some diligence.
2. Engineer's Report. None.
3. Secretarial Matters. Board asked and received status on the Campagna Appeal, current monthly invoices and completed Audit that would not permit filing of the Stats's Financial Transaction Report. Discussion was then had by Board and Landowners about the recent efforts to close Empire Tract Road. The Board was aware of refusal of Medford Ramps users to sign a "support" closure letters and apparent unwillingness to pay for cost of security gate, its future maintenance and maintenance of road. Secretary advised that it remains unclear if and who has rights to use of Medford Ramps and Boat Dock as the attorney for Medford Ramp users refused to answer these questions. Eventually, after further discussion which included additional delay by County of Public works. Secretary also notes that the Landowners were given the opportunity to comment with suggestions and thoughts. See action items below.
4. Action Items. Upon one joint motion by Mike Quartaroli, seconded by Jim Harvey, unanimously passed,
  - A. The board reviewed and approved payment of invoices with direction to pay in staggered order once the F & M Bank Warrant cap was extended. Further, the Board granted discretion and directed Secretary Coon with Trustee Podesta negotiate and execute all agreements consistent with this Action including approximate resolution if required by F&M Bank.
  - B. Board approved Audit as submitted.
  - C. Board approved independent contract with returning Diane Dias.
  - D. [Following closed session]. The Board granted discretion and authority to Secretary and Attorney Coon with Trustee Quartaroli contact Renewable Technologies and negotiate terms and conditions for solar. I Projected caused when \_\_\_\_\_ (Steve Faughn) advised unwilling to proceed because of insurance and construction hurdles.) Trustee Podesta to contact landowners about keeping solar project at previous location. In addition, attorney to contact other landowners (Foppiano, Munger Bros) about alternative locations.
  - E. Board authorized Secretary to employ drone operator and MBK Engineers to document current conditions of ramps and gangways and any future repairs.

Further, Secretary to contact the County regarding safety issues and concerns of risk to levee.

F. [Following closed session] Board approved and directed Secretary Coon to negotiate addenda "to F&M existing Warrant Agreement and, in addition, to explore options to pay down current warrants with 8.0% rates as well as explore Special Assessment next year if loss of current Campagna Appeal.

5. Informational Items. Secretary advised of the denial by Glatfelter or reimbursement of attorney fees incurred during appellate mediation proceedings and "fire suppression" efforts caused when car started fire on levee.

6. Closed Session. In addition, to the information provided above in Action Items, Secretary reported on the following Closed Session matters from earlier meetings as follows: Secretary to negotiate with the tbd "ramp users for Medford Ramp but that the parties must agree to unconditional support letters, agreement on placement and cost shares for gate and abandoned Empire Tract Road.

7. Adjournment

Respectfully Submitted,

Dated: \_\_\_\_\_

\_\_\_\_\_  
Secretary, Reclamation District 2029

**AGENDA ITEM 4D**

**DEPARTMENT OF WATER RESOURCES**

DIVISION OF MULTI-BENEFIT INITIATIVES  
P.O. BOX 948236  
SACRAMENTO, CA 94236-0001



February 7, 2024

To: Participants of the Delta Levees Maintenance Subventions Program

Subject: Delta Levees Maintenance Subventions Program Applications for FY 2024-25

The Delta Levees Maintenance Subventions Program (Subventions Program) has been dedicated to maintaining and helping to manage the aging levees in the Sacramento – San Joaquin Delta for over 50 years. Since the passage of SB 541 (Way Bill) in 1973, more than \$250 million has been reimbursed to local agencies for eligible levee maintenance and rehabilitation work in the Delta through the Subventions Program. The Disaster Preparedness and Flood Prevention Bond Act of 2006 (Proposition 1E), the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84) and the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1), have all authorized DWR to provide local assistance under the Subventions Program to reduce the risk of levee failure and flooding in the Delta, as well as to ensure no net loss of habitat.

The Department of Water Resources (DWR) is now accepting applications for the FY 2024-25 Subventions Program from eligible local agencies within the legal Delta. DWR is planning to make \$14 million available for the FY 2024-25 Subventions Program. Upon receiving the annual levee maintenance applications from the local agencies, DWR will review the applications and prepare the FY 2024-25 Subventions Program annual funding plan. DWR will then seek approval of the FY 2024-25 funding plan from the Central Valley Flood Protection Board (Board). Please submit your levee maintenance application by April 1, 2024, in order to be considered for the FY 2024-25 Subventions Program. Applications may be submitted electronically to meet the deadline; however, a hard copy of the application with original signature(s) must follow by mail.

Please note that all applications must be in compliance with the 2016 Subventions Program Guidelines approved by the Board on August 26, 2016, and the 2016 Guidelines Addendum 1 approved by the Board on November 16, 2018. The 2016 Guidelines and Addendum 1 are available upon request.

The following are among the criteria that need to be satisfied prior to final approval of an application and/or disbursement of State funds (see the current Guidelines for comprehensive information):

- All engineering plans submitted to DWR must be approved by the local agency and must be prepared and signed by a Civil Engineer licensed by the California Board for Professional Engineers, Land Surveyors, and Geologists.

- Each FY 2024-25 application is required to include a detailed engineer's report prepared pursuant to subdivision (b) of Section 4 of Article XIII D of the California Constitution, audited financial statements or an assessment commissioners' report as stated in the 2016 Subventions Program Guidelines Addendum 1. The applicant will not be considered in good standing with the Subventions Program if the aforementioned information is not provided. This will result in a delay of FY 2024-25 final claim reimbursement until the required information is provided.
- The applicant must provide total urban acreage and total rural acreage of the area protected by project and nonproject levees.
- The applicant must provide information regarding conformance with the Department of Industrial Relations Labor Compliance Program requirements of Propositions 1E (see Attachment A).
- Plans shall not result in a net long-term loss of riparian, fisheries, or wildlife habitat.
- The application must state that all habitat and mitigation requirements shall be completed to the satisfaction of California Department of Fish and Wildlife (CDFW). Failure to complete habitat and mitigation requirements as required will result in forfeiture of reimbursement under this program and may prevent future participation in the program.
- The applicant must ensure that the proposed work is in compliance with CEQA guidelines. The local agency shall be the lead agency for the purposes of CEQA. However, both the Board and DWR, as responsible agencies, will review and consider the project's CEQA environmental document(s) prior to providing funding for any project that is subject to CEQA. Such approval is fully discretionary and shall constitute a condition precedent to any work for which it is required.
- In accordance with Water Code Section 9140, if the local agency is responsible for the operation and maintenance of a project levee, or if the local agency operates and maintains a nonproject levee that also benefits land within the boundaries of the area benefited by the project levee, the local agency shall prepare and submit to DWR, on or before September 30th of each year, a report of information for inclusion in periodic flood management reports prepared by DWR relating to the project levee.
- In accordance with Water Code Section 9650, if the local agency receives funding from the State to upgrade a project levee that protects an area in which more than 1,000 people reside, the local agency responsible for the project levee and any city or county, including charter cities or counties, protected by the project levee shall enter into an agreement to adopt a safety plan within two years. The safety plan shall be integrated into any other local agency emergency plan and shall be coordinated with the state emergency plan. The local entity responsible for the operation and maintenance of the project levee shall submit a copy of the safety plan to DWR and the Board. No advances or reimbursements shall be made by the State for a levee covered by this paragraph until it receives the agreement from all necessary entities.



Again, please read the 2016 Guidelines and Addendum 1 carefully for comprehensive information regarding the Subventions Program. Submit **two** hard copies and **one** digital copy of the application to my attention at DWR, and **one** hard copy and **one** digital to Mr. Todd Gardner at CDFW.

Send **two** hard copies and **one** digital copy of the application to:  
Andrea L. Lobato, P.E., Manager  
Delta Levees Program  
Department of Water Resources  
Post Office Box 948236  
Sacramento, California 94236  
[Andrea.Lobato@water.ca.gov](mailto:Andrea.Lobato@water.ca.gov)

Send **one** hard copy and **one** digital copy of the application to:  
Todd Gardner, Supervisor  
Environmental Program Manager  
Department of Fish and Wildlife  
2109 Arch Airport Road, Suite 100  
Stockton, California 95206  
[Todd.Gardner@wildlife.ca.gov](mailto:Todd.Gardner@wildlife.ca.gov)

After final Board approval of the funding plan, DWR will prepare work agreements for execution by the Board and each participating agency. Timely execution of these funding agreements will help ensure that funding is committed. As always, participating agencies must be in compliance with all federal, State, and local laws and regulations in order for the Board and DWR to enter into an agreement with the agency and consider reimbursement of the final claim.

As a reminder, final claims for the FY 2023-24 Subventions Program are due on November 1, 2024. If you have any questions or comments regarding the Delta Levees Maintenance Subventions Program, please call me at (916) 902-6667, or Sandra Maxwell of my staff at (916) 820-8129.

Sincerely,



Andrea L. Lobato, P.E., Manager  
Delta Levees Office

cc: (See attached list.)  
Mr. Todd Gardner, Department of Fish and Wildlife

Attachments



## Attachment A

### DWR Labor Compliance for Grant Programs

- I. For every public works project — Prevailing Wage Compliance and Enforcement by Department of Industrial Relations
  - A. In addition to complying with other applicable laws, each bidder submitting a bid for such contract work must be a Department of Industrial Relations Registered Contractor pursuant to Labor Code Section 1725.5 (“DIR registered contractor”). A Bidder that is not a DIR registered contractor when submitting a bid for the contract work is deemed “not qualified.” Pursuant to Labor Code Section 1725.5, all subcontractors identified in a Bidder’s Subcontractor List shall also be DIR registered contractors.
  - B. All contractors who are awarded a contract, and all subcontractors of any tier, at all times during the performance of the work, shall be DIR registered contractors. Also, all such contractors and subcontractors must furnish electronic certified payroll records directly to the Labor Commissioner (of the Division of Labor Standards Enforcement).
  - C. The contracts are subject to compliance monitoring and enforcement by the Department of Industrial Relations.
- II. Additional requirements for projects utilizing Proposition 84 funds — Prevailing Wage Compliance and Enforcement through a Labor Compliance Program (LCP) — for a Prop. 84-funded job, in addition to the above requirements, the grantee will be required to comply with the following laws and regulations relating to LCPs:
  - A. The grantee must utilize a Labor Compliance Program (LCP) pursuant to Labor Code Section 1771.5, and the regulations promulgated thereunder (California Code of Regulations, Title 8, Sections 16421 et seq.), to be implemented through an LCP provider. Information about LCPs generally is available at [www.dir.ca.gov/lcp.asp](http://www.dir.ca.gov/lcp.asp).
  - B. The LCP provider will conduct a mandatory pre-job conference with the Contractor and its subcontractors to discuss federal and state labor law requirements applicable to the project. Contractor and its subcontractors shall be required to maintain and furnish to the LCP provider, at designated times, a certified copy of each weekly payroll containing a statement of compliance signed under penalty of perjury. The LCP provider will review and audit payroll records to verify compliance with applicable labor law. The LCP provider will also visit the jobsite and will randomly interview individuals to verify compliance with prevailing wage laws. The grantee may be required to withhold contract payments equal to the amount of underpayment and penalties, when, after investigation, it has been established that an underpayment or delinquency has occurred. Copies of the required rates are on file with the Department of Industrial Relations and available upon request. There are other requirements in the statutes and regulations.

**AGENDA ITEM 4G**

March 1, 2024

Reclamation District 2029 – Empire Tract  
Alan Coon  
209-601-9624  
arcoo@arcooanlaw.com

**Re: Proposal for Benefit Assessment Formation for  
Reclamation District 2029 – Empire Tract**

Alan:

**SCI Consulting Group** (“SCI”) is pleased to submit, for your review, this proposal for all task required for the formation of Benefit Assessment for Reclamation District 2029 (“RD 2029” or “District”).

*We understand that the District is interested in generating an additional approximately \$1.5 million from a proposed additional assessment over 10 years with the option for property owners to pay off this assessment early. We recommend the District consider proposing a Proposition 218-compliant assessment to generate this revenue, including a specified 10 year term and optional early pay off. This approach is sound, common and legally stout; and would require a very similar process to that which we assisted the District successfully with in 2007.*

*Based upon our 2007 assessment engineering, RD 2029 has approximately 3,480 benefit units, which would result in an approximately \$431.03 assessment per benefit unit burden (per agricultural acre to generate \$1.5 million.) A new assessment would require updated engineering analysis and budgeting, but we do not anticipate significant changes. Further, our analysis indicates that the maximum rate the District can assess on it’s current 2007 assessment, adjusted each year for the maximum Consumer Price Index growth is \$88.81 for 2024-25.*

By way of “re-introduction”, SCI is a California Corporation formed in 1985 uniquely focused on revenue enhancement services for public agencies. With over 35 years of experience in this specialized field, we are proud of our industry-leading record of success with assisting public agencies in increasing their revenues. For agency-wide assessment measures which include a survey, SCI has a success rate of over 95% with over 140 successful post-Proposition 218 assessment ballot measures. In fact, SCI has formed more successful agency-wide post-Proposition 218 assessments than all other assessment engineering firms in California.

We respectfully offer the following strengths, which differentiate our firm from others, for your consideration:



**SUCCESSFUL IMPLEMENTATION OF REVENUE MECHANISMS FOR FLOOD CONTROL** SCI has formed more assessment districts for flood protection services than all other firms in the State, combined. Below is a list of our formations for flood protection services - we have never lost nor had a legal challenge of an assessment for flood protection services.

<u>District</u>	<u>Base Rate</u>	<u>Support</u>	<u>Year</u>
Reclamation District 2059 Bradford Island	\$68.38	59.47%	2020
Reclamation District 349 Sutter Island	\$40.00	100.00%	2020
Reclamation District 756 Bouldin Island	\$487.36	100.00%	2018
Reclamation District 2025 Holland Tract	\$68.40	93.00%	2018
Reclamation District 2026 Webb Tract	\$550.28	100.00%	2018
Reclamation District 2028 Bacon Island	\$509.52	100.00%	2018
Reclamation District 150	\$128.71	85.78%	2018
City of San Mateo – North Shoreview	\$125.51	76.80%	2018
Bethel Island Levee Improvement District	\$132.69	68.00%	2015
Reclamation District No. 1001	\$216.25	82.27%	2014
City of San Mateo Re-Balloting	\$ 66.08	82.33%	2013
City of San Carlos	\$190.32	95.40%	2010
City of San Mateo – South Bayfront	\$ 89.41	79.60%	2009
Marysville Levee Commission	\$ 49.58	74.00%	2009
Reclamation District No. 10	\$100.00	78.60%	2008
Three Rivers Levee Improvement Authority	\$138.90	62.20%	2008
Reclamation District No. 2029	\$ 60.00	100.00%	2007
Reclamation District No. 2044	\$ 60.00	82.00%	2007
Reclamation District No. 348	\$ 28.00	72.30%	2001
Reclamation District No. 800	\$ 25.00	83.10%	1999

**PROPOSITION 218 BENEFIT ASSESSMENT EXPERTISE** Through the process of designing and establishing numerous new post Proposition 218 benefit assessments and working on these projects with many of the leading Proposition 218 specialized attorneys in the State, we have gained unparalleled legal and Proposition 218 compliance expertise.

**KNOWLEDGE OF SAN JOAQUIN COUNTY AND ITS LOCAL AREA** We have worked extensively throughout San Joaquin County including the current clients: RDs 348, 756, 2028 and 2107 as well as many cities and special districts.

**CONTINUITY OF STAFF AND FIRM** SCI has been providing assessment engineering and levy administration services to public agencies and has retained the same service area focus for over 35 years of service. We are exclusively focused on these highly specialized services. Our staff and firm have unmatched continuity.

**UNMATCHED TECHNICAL CAPABILITIES** Aside from our administrative staff, every employee in our firm is a database expert. We have developed in-house, specialized programs to improve our levy

administration services. We are also GIS and mapping experts. We invite you to compare our database and technical expertise with the staff from any other firm.

**OUR CLIENTS ARE OUR BEST REFERENCES** We sincerely encourage you to speak with any of our clients, not only the listed references. They will attest to the comprehensive nature of our services, our level of client responsiveness and our levy administration abilities.

Our firm's core competencies align perfectly with this project:

- Assessment rate engineering, consistent with Proposition 218
- Development of Proposition 28 compliant Engineer's Reports
- Benefit assessment balloting

As well as:

- Public opinion polling for infrastructure measures
- Community outreach for a successful assessment

We look forward to this opportunity to assist RD 2029 with this important project and stand ready to proceed. If you have any questions or require additional information, please do not hesitate to contact me.

Sincerely,

  
John W. Bliss, P.E., President

## DESCRIPTION OF QUALIFICATIONS



SCI is a public finance consulting firm with over 35 years of expertise in assisting public agencies in California with planning, justifying and successfully establishing new revenues for their service and capital improvement needs and objectives and managing special assessment levies. SCI also offers extensive expertise with the important legal and procedural issues involving benefit assessments, special taxes and fees. The principals at SCI are acknowledged experts on these public financing mechanisms and were involved with the cleanup legislation for Proposition 218.

SCI possesses extensive property-related fee and benefit assessment engineering and formation expertise, particularly for agency-wide assessments in politically challenging areas. These successful agency-wide assessments include all the largest successful assessments in the State as well.

SCI provides year-round special tax and assessment administration services and planning services for clients throughout California. SCI's planning projects have included hundreds of development impact studies, facility and financing plans, demographic studies, cost of service and fee justification studies, and other planning and real estate studies.

## PROPOSED SERVICES

SCI will begin the project by coordinating a kick-off meeting to better understand the District's goals and priorities, and establish timelines, deliverables, etc.

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### INITIAL DATA RESEARCH AND FEASIBILITY ANALYSIS

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SCI will perform a comprehensive analysis of the District's current and desired flood control improvements, and associated costs, budgets and current funding sources. In addition, we will collect, compile, and analyze property ownership, voter statistics, tax base, demographic and political profiles in the District. SCI will also analyze various community factors that may affect the proposed assessments, such as other local, political and socioeconomic issues and other funding measures. We perform these services by first utilizing SCI's internal and comprehensive historical parcel data for all parcels in the District. This internal property, parcel and ownership data will be supplemented with additional data from the District, the County Assessor, planning agencies and other information sources. After this extensive data has been compiled, we will analyze it in context with the proposed services and improvements, other community factors in the District, and the current services provided by the District. This detailed research and analysis will provide SCI with a solid understanding of the factors that will be used as the foundation for designing and evaluating the desired funding measure.

After a comprehensive review of the scenarios and the potential services and improvements that would be provided, SCI will develop a preliminary benefit assessment methodology. The initial



benefit assessment methodology and rate scenario alternatives will be reviewed with the District and legal counsel, and comments and suggestions will be incorporated as appropriate.

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## ASSESSMENT ENGINEERING AND ENGINEER'S REPORT

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SCI will review existing programs and services and develop a listing of prioritized improvements and services to best meet the goals and priorities of the District and the priorities and desires of property owners. SCI will utilize the multi-year revenue and expense proformas developed in the feasibility analysis phase, and a multi-year budget and capital improvement plan, to serve as an important basis for the budgets and cost estimates provided in the Engineer's Report, and the ballot measure features which will ultimately be presented to property owners.

In conjunction with the budget and financial planning services, SCI will continue, expand, and finalize the benefit assessment engineering project that we began in the feasibility analysis phase. This comprehensive assessment engineering work will include defining the special and any general benefits from the proposed improvements and services. For this important work, SCI will use its industry leading benefit assessment engineering and flood control expertise to develop a benefit assessment methodology that fully complies with the legal and procedural requirements for a new, post-Proposition 218 benefit assessment, including the court's direction in *Silicon Valley Taxpayers Association v. Santa Clara County Open Space Authority*, *Dahms v. City of Pomona*, *Greene v. Marin County Flood Control and Water Conservation District*, *Robert Beutz v. County of Riverside*, and other Proposition 218 decisions.

We will present these fiscal plans, our data review and analysis, and the proposed assessment methodology, levies and budgets to the District in a review session. Issues uncovered by the review will be highlighted and remedies suggested. After the District and District's legal counsel have reviewed the data and information, we will prepare an Engineer's Report that fully meets the requirements of Articles XIII C and XIII D of the California Constitution (Proposition 218), the Government Code, and other relevant code sections. The Engineer's Report, which will be prepared and signed by John W. Bliss, PE, an assessment engineer with extensive benefit assessment engineering experience for infrastructure assessments, will include a detailed description of the assessment plans for the improvements and services, future capital and facility improvement needs, a detailed cost estimate, an analysis of special and general benefits, the rationale used for the assessment apportionment, the method of assessment apportionment, calculation of the specific proposed assessment amount for each parcel in the proposed district, an assessment diagram, and other elements.

After the Engineer's Report has been prepared, it will be reviewed with District staff and, if necessary, shall be revised to reflect any relevant comments or issues identified. SCI shall also finalize the assessment levies, assessment roll, assessment diagram, and other information for preliminary District approval. SCI will also prepare draft resolutions, notices and other materials and documents required or recommended for the proposed assessment. Such documents shall be finalized in conjunction with District's legal counsel.



At the culmination of the services of this phase, SCI shall present the findings, proposed assessment levies, and Engineer's Report to the District and the Board of Directors.

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## PROPOSITION 218 IMPLEMENTATION

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### ***a. Balloting Services***

Services under this task would include designing, printing, addressing, and mailing of the notice and assessment ballots to all property owners in the proposed district.

The design of the official notice, assessment ballot, supporting informational items, and mailers is one of the most important elements of a successful ballot outcome. SCI will utilize its unmatched expertise to design a notice and ballot and informational items that clearly and concisely explain the reason for the flood control assessment and that meet all legal requirements.

After the draft notice and ballot are prepared, they will be provided to the District and its legal counsel for review and comment. Feedback and comments will be incorporated before the documents are finalized. After the notice and ballot are finalized, SCI will oversee the printing and addressing of the ballots. After the notices and ballots are printed and addressed, they will be mailed, pursuant to the California Constitution and the Government Code, to all property owners in the proposed district with a proposed assessment.

Throughout the balloting, SCI will also field and respond to property owner inquiries, will research and confirm new owners that are not reflected on the official county property ownership records, and will issue replacement ballots as needed. SCI shall also prepare resolutions, documents and information for the public hearing, and will assist the District and its legal counsel with responding to property owner testimony at the public hearing.

At the close of the balloting period, at the public hearing, SCI will assist the District's secretary, the official tabulator, with the tabulation of the ballots received, and will assist with the preparation of the ballot results to be announced at that Board meeting.

### ***b. Informational Outreach Services – Orientation and Infrastructure***

Clear, concise and appropriate educational outreach is one of the most important elements for a successful ballot outcome. If the community is adequately informed about the issues, and the messaging and approach are based upon extensive experience with other successful property owner and voter ballot measures, the District's proposed assessments will have good prospects for a successful outcome. SCI's unparalleled track record of success is, in large part, due to our extensive expertise in this area.

SCI may assist the District with outreach efforts to ensure the property owners are adequately informed about the assessment ballot proceeding and the proposed services/improvements in their area prior to the mailing of ballots. SCI would assist with public informational and educational outreach strategies and property owner informational services by providing the following:

- one-hour outreach orientation session with District staff
- creation of the basic tools the District would use throughout the ballot proceeding:
  - informational handout
  - FAQ document
  - talking points document
  - property owner contact list with individual proposed assessments and other pertinent individual information

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### ANNUAL LEVY ADMINISTRATION - OPTIONAL

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If the District so desires, SCI may also provide annual levy administration services to ensure that each parcel's annual assessments are recalculated each year, and the levy roll is submitted to the County Auditor for inclusion in the County property tax bills for the upcoming fiscal year. These are the basic steps SCI will follow:

- Create a database including every parcel in the boundaries of the Assessment District, including the parcel attributes necessary for calculating the Assessments, and update it with new information for the upcoming year.
- Obtain upcoming fiscal year estimated cost information from the District to use as a basis for the budget in the Engineer's Report. Calculate the proposed assessment for each parcel and prepare the preliminary assessment roll.
- Update the Engineer's Report as necessary, including upgrades to improve compliance with Proposition 218 and other requirements and file the final Engineer's Report with the District.
- Prepare any needed resolutions and staff reports for the Assessment. Prepare and assist with the publication of any notices for the continuation of the Assessment.
- Obtain the July lien-date Assessor Roll from the County, identify new or changed parcels that may require an updated or new assessment calculation, and recalculate the final assessment on each parcel.
- Finalize the Assessment Roll and supporting materials for the assessments and submit with our toll-free phone number to the County. Verify Auditor's levy data prior to printing of tax bills.
- Provide a full response, support and basis of the assessments to any person who questions them. In the event of any legal challenge against the assessments, provide professional, assessment engineering support of the assessments, in close collaboration with the District and District legal counsel.



- Provide the County Auditor/Tax Collector with our toll-free phone number so property owners can directly contact SCI Consulting Group throughout the fiscal year regarding any questions that arise.
- Throughout the fiscal year, research and, if necessary, revise any assessments which we find to be based upon incorrect information being used to apply the method of assessment. (It should be noted that, due to our comprehensive levy validation procedures, actual revisions are expected to be very minimal, if any.)

### KEY PERSONNEL TO BE ASSIGNED

- Project Manager: John Bliss
- Principal Engineer: John Bliss
- No subcontractors on this project.
- SCI will employ its robust and time-tested internal Quality Control Program and protocols on this project which emphasize professional peer review.

#### **JOHN W. BLISS, M.ENG., P.E., PRESIDENT, LICENSE NO. C52091**

John Bliss, a professional engineer and President of SCI, specializes in assessment engineering, special and general benefit analysis, crafting legally compliant, robust Engineer’s Reports, assessment administration, cost estimating and budgeting, database design and implementation, regulatory compliance, and revenue measure formations. He has over 18 years of experience in this field of expertise. Moreover, John is a recognized expert assessment engineer and Proposition 218 compliance specialist who has served as an expert witness and technical authority. He also has worked with most of the leading Proposition 218 specialized attorneys in the State, which has further expanded his professional and technical expertise.

During his tenure at SCI, John has served as the responsible Assessment Engineer on over 300 Engineer’s Reports for new or increased assessments, comprising more post-Proposition 218 new assessment engineering than any other assessment engineer in the State.

John graduated from Brown University with a Bachelor of Science Degree in Engineering and holds a master’s Degree in Civil Engineering from The University of California, Berkeley, where he was a Regent’s Scholar. He is a licensed professional Civil Engineer in the State of California and is a LEED accredited professional.

### REFERENCES

Below are project descriptions and references for your review. Please do not hesitate to contact us if you would like to speak with any of the clients for projects listed below.

SCI's success is built on the unparalleled expertise of its employees and the conducting of successful revenue measures, as well as its commitment to outstanding customer service and solid, long-term relationships with its clients. For your convenience, below is a list of some of SCI's clients, but you are welcome to contact any of our clients, whether or not they are on this list. Each of them can attest to SCI's professionalism, dedication to excellence, and ability to deliver on our commitments on time and on budget.

**RECLAMATION DISTRICT 756 BOULDIN ISLAND**

**RECLAMATION DISTRICT 2025 HOLLAND TRACT**

**RECLAMATION DISTRICT 2026 WEBB TRACT**

**RECLAMATION DISTRICT 2028 BACON ISLAND**

Pamela A. Forbus & David Frankel

Law Offices of Al Warren Hoslett

343 East Main St., Suite 815

Stockton, California 95202

(209) 943-5551

**Contact:** Pam Forbus and David Forkel

**E-mail:** Pam Forbus: [pamforbus@sbcglobal.net](mailto:pamforbus@sbcglobal.net)

**E-mail:** David Forkel: [dforkel@dafconsultants.com](mailto:dforkel@dafconsultants.com)

In 2018, SCI implemented Proposition 218-compliant benefit assessments for four rural Delta islands as part of an acquisition by the Los Angeles Metropolitan Water District, including all required services: analysis of budgets and improvements, development of Engineer's Reports and implementation of balloting.

**BETHEL ISLAND MUNICIPAL IMPROVEMENT DISTRICT**

3085 Stone Rd.

Bethel Island, CA 94511

(925) 684-2210

**Contact:** Regina Espinoza, Executive Director

**E-mail:** [bimid@sbcglobal.net](mailto:bimid@sbcglobal.net)

Completed on schedule and within budget

SCI Lead Assessment Engineer: John Bliss

Bethel Island is the most heavily populated Delta islands and had suffered from severe property tax revenue deflation loss and local economic hardships, and the local population had considerable skepticism toward the local governing agency, the Bethel Island Municipal Improvement District ("BIMID"). In fact, BIMID had proposed a special tax in 2010 which was soundly defeated. To complicate matters even more, there was a long-stalled development project (called Delta Cove) that was beginning to be revived and potentially include more than one-third of all the houses on the island.

Negotiations between the developer and BIMID were difficult and the proposed assessment was a major point of contention. The community was distrustful of both BIMID and the developer.



SCI was hired to manage all aspects of a proposed new revenue mechanism in order to leverage Department of Water Resources grant funding by providing the required local funding share, and to fund inadequate maintenance. SCI realized that considerable effort would have to be made to regain credibility in the community. A comprehensive, multi-faceted community outreach plan was developed that included direct meetings with major property owners as well as community meetings where property owners could engage Board members and engineering experts. A total of four community meetings were conducted along with special one-on-one meetings with major property owners and developers.

SCI develop a proposition 218 compliant engineering approach and Engineer's Report that captured the unique attributes of depths and housing stock (i.e., many houses are built on stilts) with a strict goal to create a fair, equitable, and easy-to-understand rate structure. The rate structure was well-accepted by the community and served to help it widespread support.

SCI assisted the District and other project team members with outreach efforts with property owners and developers. Earlier this year, the Assessment was approved with over 68%, only four years after a similar tax (Measure X) managed by a different consultant, received only 41% support.

We continue to provide levy administration, and other consulting and engineering services to the District.

#### **RECLAMATION DISTRICT 1001**

1959 Cornelius Ave.

Rio Oso, CA 95674

(530) 656-2318

**Contact:** Kim Reese

**E-mail:** [asstrd1001@syix.com](mailto:asstrd1001@syix.com)

Completed on schedule and within budget

SCI Lead Assessment Engineer: John Bliss

RD 1001 is a rural, agricultural area in southern Sutter County and Placer County. SCI worked closely with District staff and conducted an exhaustive community outreach campaign in parallel with a Proposition 218 benefit assessment proceeding. This outreach included two community meetings marketed by individual invitations, FAQs, talking points, mailers and handouts. Meanwhile, SCI prepared the Engineer's Report and conducted a successful assessment ballot proceeding that generated ongoing annual revenues for the maintenance and improvement of levees and other flood control improvements. The assessment received over 82% support at an average rate of over \$200 per single family home. The assessments were finalized and successfully established in the summer of 2014.

We continue to provide levy administration, and other consulting and engineering services to the District.

**ADDITIONAL INFORMATION**

**Employment Policies**

SCI does not and shall not discriminate against any employee in the workplace or against any applicant for such employment or against any other person because of race, religion, sex, color, national origin, handicap, or age or any other arbitrary basis. SCI Consulting Group insures compliance with all civil rights laws and other related statutes.

**Conflict of Interest Statements**

SCI has no known past, ongoing or potential conflicts of interest for working with the District, performing the Scope of Work or any other service for this Project.

**Independent Contractor**

If selected, SCI shall perform all services as an independent contractor.

**Additional Scope of Work**

In the event the District elects to request optional, additive scope of work, SCI will work with the District to negotiate compensation for these additional tasks and execute an Addendum to the agreement for these additional services.

**Responsibilities of District**

SCI will make every effort to minimize the workload on the District, but may need assistance, iteratively, with project overview and history, scheduling and budgeting.

**Coordination with District**

SCI will coordinate services with District staff through frequent and concise communications including face-to-face meetings, telephone calls and e-mail.

**PROPOSED FEE SCHEDULE**

In consideration for the work accomplished, as outlined in this proposal, SCI will be compensated as detailed below:

<b>Phase of Work</b>	<b>Fee</b>
Initial Data Research and Feasibility Analysis	\$ 2,500
Assessment Engineering and Engineer’s Report	\$ 16,500
Proposition 218 Balloting Services	\$ 4,500

The scope of services includes up to two in-person meetings with the District. Any additional meetings, if required, will be billed at the rate of \$550 per person per meeting.

Incidental costs incurred by SCI during the funding measure for the purchase of property data, maps, travel, and other out-of-pocket expenses, shall be reimbursed at actual cost with the total not to exceed \$500 without prior authorization from the District.

**AGENDA ITEM 5**



# F&MBANK

Farmers & Merchants Bank of Central California

March 1, 2024

Phonxay Keokham, CPA  
Treasurer & Tax Collector  
P.O. Box 2169  
Stockton, CA 95201

Re: River Junction Reclamation District #2029

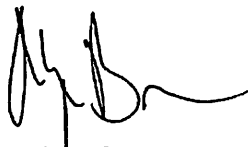
Dear Mr. Kahn:

The rate for River Junction Reclamation District #2029 will be 8.50% for the next quarter commencing April 1, 2024.

In accordance with the Warrant Purchase Agreement with the reclamation district the interest rate is calculated as the Bank's Base Rate (8.50%) plus a spread of 0.00% with a minimum interest rate of 3.25%.

Sincerely,

Shayne Brown  
Vice President  
Relationship Manager



cc: Alan Coon – Via Al n Coon — Via e-mail

4612 McGaw Stockton, CA 95207 office: (209) 337-6007 cell: (209)

\*fax: (209) 337-6011

## **WARRANT AGREEMENT**

This Warrant Loan Agreement ("Agreement"), dated as of December 21, 2023, by and between **Delta Farms Reclamation District No. 2029**, a reclamation district of the State of California ("District") and **Farmers and Merchants Bank of Central California**, a California banking corporation ("Bank"), is made with reference to the following:

### **RECITALS**

WHEREAS, ("District") is a public *entity* that was formed in 1918 to construct and maintain levees, irrigation facilities and provide reclamation protection and those related services so as to protect the landowners within the confines of the land commonly known as Empire Tract; and

WHEREAS, it is governed by a three-person board of trustees, who are also landowners, and is subject to certain statutory requirements including the requirements of the Water Code; and

WHEREAS, the District currently funds its operations and administration through its annual assessment of landowners and short term financing with Bank; and

WHEREAS, the District conducts annual, routine reclamation and levee maintenance which is funded and reimbursed, in part, through the California State Subventions Program, annual assessment of landowners and short term financing with a local bank. The timing of payment of the annual assessments and the State's reimbursement from the Subventions Program and Special Projects routinely requires the annual issuance of warrants as a form of short term financing. These warrants are issued by a local bank and are then registered with the County of San Joaquin's Treasury office. The warrants are then paid as assessments are made and/or Subvention funds are received. Additionally, payments may be made from deposits made directly to the District's bank accounts. The warrants accrue simple interest on terms as negotiated until paid; and

WHEREAS, the District also anticipates that the California State Department of Water Resources' Delta Levee Subventions Program is expected to be fully funded for the next two years permitting its continued routine reclamation and levee maintenance program; and

WHEREAS, the District has also been awarded a second Special Project which began in 2015 which will, in turn, provide the District with the opportunity to accelerate its levee rehabilitation efforts and receive an increased share of reimbursement from this state program; and

WHEREAS, the District desires a Four (4) year short-term financial assistance beginning on January 15, 2021, to enable it to continue forward with needed levee rehabilitation efforts prior to the receipt of the reimbursements described above and until

the District collects future annual assessments from landowners within the boundaries of District; and

WHEREAS, subject to the terms and conditions of this Agreement, Bank remains willing to provide to the District a short-term loan through the issuance by the District of registered demand warrants pursuant to law including the provisions of California Water Code Sections 53000 et seq.; and

WHEREAS, in consideration of funds loaned by Bank, the District is authorized by the applicable provisions of the California Water Code to issue to Lender registered demand warrants in the maximum amount set forth in this Agreement, and to repay the demand warrants with the funds derived from the sources described in these Recitals, as well as other sources of repayment available to the District in the future; and

WHEREAS, the District has incurred \$755,000 in outstanding warrants as of the date of this Agreement which, with any additional accrued interest calculated through December 21, 2023, which will be included within this agreement making unnecessary to reissue replacement warrants. The sum is in addition to the sums requested herein.

NOW, THEREFORE, the District and Bank agree as follows:

#### **AGREEMENT**

1. Incorporation of Recitals. The foregoing Recitals are incorporated in this Agreement and are represented by the District to be true and correct.

2. Term. Bank agrees during the Four (4) year term to loan to the District up to an estimated maximum of Nine Hundred Thousand and 00/100 Dollars (\$900,000.00) ("Maximum Amount") to be evidenced by the purchase of registered demand warrants from the District substantially in the form set forth in Water Code Section 53020 (the "Warrants"). The Warrants shall be issued by the District in denominations ranging from Five Thousand Dollars (\$5,000.00) to Twenty Thousand Dollars (\$20,000.00) and shall be registered by the Treasurer of the County of San Joaquin on or before the date funds are disbursed by Bank. All warrants, original or replacement, sold and/or issued to Bank pursuant to this Agreement shall be redeemed by Bank and paid in full along with accrued interest by District on or before January 15, 2025, if Bank makes a written demand on or before July 15, 2024.

3. Checking Account. District shall at all times that any Warrants are outstanding under the terms of this Agreement maintain their checking and savings account(s) with Bank at 4612 McGaw Street, Stockton, California, 95207 referred to herein as the "Accounts". Upon the issuance and registration of Warrants, loan funds from Bank shall be deposited in the Account and then used to pay the District's creditors in the normal course of business.

4. Interest Rate. The interest rate on the initial warrant purchases as of January 15, 2021 will be Three and Twenty-Five Hundredths Percent (3.25%). After the initial purchase of the registered demand warrants by the Bank, the rate may be subject to adjustment to Wall Street Journal Prime plus Zero Percent (0.00%) with a minimum rate of Three and Twenty-Five Hundredths Percent (3.25%) by written agreement between Bank and District. Bank shall provide written notice to District and Treasurer of change to interest rate as of the last business day of the second month of each calendar quarter made effective as of the first business day of the following quarter.

5. Repayment. Bank may at any time register and redeem Warrants issued pursuant to this Agreement to the extent funds are made available for such redemption from the District's general fund with the County of San Joaquin Treasurer's office. In any event, the District agrees that sufficient funds will be available in its general fund so that each issued and outstanding Warrant shall be redeemed by not later than January 15, 2025 (the "Maturity Date").

6. No Other Warrants. At all times that any Warrants or Replacement Warrants remain outstanding, the District agrees that it will not issue any other warrants of any kind (including demand warrants and time warrants), registered or otherwise, to any other person or entity without the prior written consent of Bank.

7. Annual Assessments. During all times any warrants issued to Bank pursuant to this Agreement remain outstanding, the District agrees to continue levying an annual assessment on the landowners within the boundary of the District that generates an amount equal to or greater than the amount of its current annual assessment.

8. Transfers to General Fund. To facilitate Bank's redemption of outstanding Warrants, the District agrees to transfer to its general fund, as soon as practicable, all funds received as reimbursements from the sources described herein this Agreement, all other funds received that are initially deposited in a special fund pursuant to customary practice or pursuant to law, as well as all future annual assessments. District may use its checking accounts with Bank to pay routine and monthly bills, in the District's discretion, such as utility, engineering, secretarial, office and legal invoices.

9. Annual Financial Reports. During all times any warrants issued to Bank pursuant to this Agreement remain outstanding, the District agrees to provide to Bank a copy of the District's annual audit prepared by the District's accountant within 150 days of the fiscal year end which would be November 30. The financial report shall show, among other things, the amount held in the District's general fund.


10. Board Resolution: Tax Exempt Status. The District shall provide to Bank a certified copy of a resolution of the Board of Trustees of the District approving this Agreement and authorizing its execution by a designated officer or trustee of the District. In addition, the District shall provide Bank with a current letter or other confirmation satisfactory to Bank that the District is exempt from Federal and State income taxes.

IN WITNESS WHEREOF, Bank and the District have entered into this Agreement as of the date first above written.

Farmers & Merchants Bank of  
Central California

By:  \_\_\_\_\_

Delta Farms Reclamation District #2029  
(Empire Tract)

By:  \_\_\_\_\_



**RESOLUTION AUTHORIZING ISSUANCE  
OF REGISTERED DEMAND WARRANTS**

WHEREAS, the Board of Trustees of Delta Farms Reclamation District No. 2029 ("District") desires to sell registered demand warrants to the Farmers & Merchants Bank of Central California ("Bank") to fund District's operations, levee maintenance and repair projects; and

WHEREAS, the District seeks long-term relationship with Bank providing cost effective rates and efficient services; and

WHEREAS, this resolution is intended to approve the terms, conditions and obligations of the District with respect to such purchases; and

WHEREAS, the District intends to continue its annual maintenance of its levees and to apply for special projects with funding through issuance of warrants to be funded by Bank.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Trustees of Delta Farms Reclamation District No. 2029 as follows:

1. District will sell to Bank registered demand warrants of District up to a maximum amount of Nine Hundred Thousand Dollars (\$900,000.00) during the Four (4) year term of the Agreement.
2. Warrants will be registered at the San Joaquin County Treasurer Office, on behalf of the District, into which the District shall deposit its annual assessments levied and collected by the District.
3. So long as Bank is holding warrants of the District, District will not issue registered warrants, time warrants or other debt instruments to any other party without the prior written consent of the Bank.
4. It is intended that no warrant will be outstanding for more than Four (4) years. If any warrant(s) is/will be outstanding for Four (4) years or more, District agrees to replace said warrant.
5. The interest rate on the initial warrant purchases will be Three and Twenty-Five Hundredths Percent (3.25%) starting January 15, 2021. After the initial purchase of the registered demand warrants by the Bank, the rate may be subject to adjustment to Wall Street Journal Prime rate with a minimum rate of Three and Twenty-Five Hundredths Percent (3.25%) by written agreement between Bank and District. Bank shall provide written notice to District and Treasurer of change to interest rate as of the last business day of the second month of each calendar quarter made effective as of the first business day of the following quarter.
6. Bank reserves the right at any time to terminate Bank's purchase of District's future warrants providing District with, at a minimum, Six (6) months' written notice. Warrants will be issued in face amounts of \$5,000.00 to \$20,000.00.
7. Bank will immediately register and fund warrants to pay outstanding warrants plus interest as accrued held by Bank.



CERTIFICATE

I, Alan Richard Coon, Secretary of the Delta Farms Reclamation District No. 2029 do hereby certify that the foregoing Resolution is a full, true and correct copy of a Resolution passed by the Board of Trustees of Delta Farms Reclamation District No. 2029 at a meeting thereof held on the 6<sup>th</sup> day of December, 2023, which meeting a quorum was present, that said Resolution has never been revoked, and the same is now in full force and effect.

Dated: 12.22.2023

  
\_\_\_\_\_  
ALAN RICHARD COON