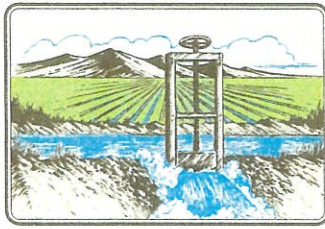


# Reclamation District No. 1004



**RECLAMATION DISTRICT NO. 1004**  
**Annual Landowners Meeting Minutes**  
**March 20, 2024**  
**10:00 a.m.**

Board of Trustees (BOT) present: Chairman Hulbert, Vice-Chairman Borrelli, Trustee Herkert, Trustee Mord and Trustee Bailey. RD 1004 staff present: District Manager Terry Bressler and Secretary to the Board of Trustees Barbie Buchanan. RD1004 legal counsel present: Dustin Cooper (Minasian Law). Public attendees present: Thad Bettner (SRSC), David Guy (NCWA), Joe Wallace, Jennifer Wallace, Nicole Garofalo, Ryan Hogan, Walt Sikes, Hayden Harter, Curt Richter, Dan Charter.

**1. Call the Meeting to Order**

Meeting called to order at 10:21 a.m.

**2. Welcome Landowners and Guests**

**3. Introduction of the Board**

**A. Election Update**

Chairman Hulbert announced Trustee Herkert and Trustee Mord were reappointed for another four-year term. The next election will be in 2025 and the seats of Chairman Hulbert, Vice-Chairman Borrelli and Trustee Bailey will be up for election.

**4. Public to address the Board**

No public comments.

**5. 2023 Year Review**

**A. Full Water Allocation**

Chairman Hulbert recapped that on April 1, 2023, the USBR declared that 2023 would be a non-critical year with a full water allocation after coming out of the 2022 drought. The RD1004 standby fee was \$22.50 per acre which included a \$5.00 admin fee, and water toll was \$26.00 per a/f. The 2023 budget started out pretty thin at the beginning of the year, and the District has been trying to keep admin/standby fees and water tolls down in an effort to lessen financial impacts to the landowner and growers. RD1004 is trying to balance keeping fees down while keeping the District operating efficiently, and financially strong.

**B. Final Profit & Loss Statement and Audit**

Chairman Hulbert announced that Office Manager Barbie Buchanan is currently working with the District's auditor to finalize the 2023 audit. It should be complete by the end of April; please contact the office if anyone would like a copy.

**C. Drought Relief Funds**

Chairman Hulbert discussed the 18% water allocation in 2022, and because of that District received drought relief funding from Sacramento River Settlement Contractors to assist with keeping districts operating. RD1004 has used some of those funds on equipment, water rights, and construction.

**D. Operations and Capital Projects**

District Manager Terry Bressler will provide updates further in agenda.

**6. 2024 District Updates**

**A. Water Toll**

Chairman Hulbert announced the 2024 water toll is \$20.50 a/f, which is down from the \$26.00 a/f toll in 2023.

**B. Standby**

Chairman Hulbert shared that for 2024, RD1004 has kept the same standby fee of \$22.50 which includes an admin fee of \$2.06 per acre. The reduction was possible due to the interest income from District reserves.

**C. Budget**

The 2024 budget was approved at the February board meeting and reflects negative \$48,000.00 net income for 2024. There are no extras in the budget, but the District has been able to build reserves up in the past, mainly from water sales and transfers. There is continued discussion regarding the appropriate number for reserves for RD1004.

**D. Unit Duty/Allocation Outlook**

The current unit duty and allocation for 2024 is 5 a/f for rice and 3 a/f for duck/decomp. There was discussion at the board last year to determine if the 3 a/f for duck clubs is still an appropriate number due to the refunds that were recently processed for unused water. District Manager Terry Bressler feels that 3 a/f is still an appropriate number for duck/decomp because there was late flooding, and most turned their water off at the end of January, so less water went through the system.

**E. Well Usage**

Chairman Hulbert shared that the District has six wells within the District and looks at those wells as an insurance policy. His feelings are that at times, wells may be needed to deliver water

to provide the best service that we can do for the District; controlling costs, but delivering water. Chairman Hulbert invited feedback from landowners and growers.

## **7. Water Rights/Sacramento River Settlement Contractors**

Chairman Hulbert introduced David Guy from NCWA and Thad Bettner from SRSC to present information on the USBR 10-year MOU/Agreement to provide an overview of the work that has been done and what is coming up in the near future.

Thad Bettner from SRSC shared the essential framework of the USBR agreement. Current SRSC contracts were signed in 2006 and will be up for renewal in the 2040s. Previous contracts were signed in the 1960s. USBR and SRSC are currently working on agreements that keep the water in the Sacramento valley and protect water supply for all Contractors, and allowing landowners and boards to make the decisions that best fit their area. The current activities that SRSC are working on include, the Central Valley Project, funding for scientific research for healthy rivers and healthy fish, coordinating flows and diversions to ensure the flow for healthy rivers, and provide outreach to all SRSC Boards. Thad Bettner reviewed the BIN options explaining that if the time comes, and Shasta inflow is under 2.5M a/f, that is when the USBR could potentially call on SRSC for diversions. USBR would provide funding up front in case the diversion call is necessary.

Dustin Cooper from Minasian Law provided input regarding jeopardy vs. non-jeopardy biological opinions. If it is a non-jeopardy opinion, the USBR controls project operations and has a multi-benefit outlook. If the opinion is a jeopardy opinion, the NMFS will control operations and has a single focus lens, which is on winter run and that will drive decision making from their perspective. Discussions have been good and seem to be learning towards non-jeopardy opinions.

Public attendee Ryan Hogan asked why a non-jeopardy opinion is better for the landowners and growers. Thad Bettner explained that SRSC will have seat at the table during discussions regardless if the opinion is a jeopardy or non-jeopardy opinion, however, a non-jeopardy opinion is important so that Contractors have more control over the project operations with USBR.

Trustee Herkert asked why the potential agreement is so important? What implications would there be if the Contractors chose not to participate and kept the current contracts as is? Thad Bettner shared that the contracts are not as bullet proof as once thought at the beginning of the contracts. USBR may have full discretion of project water and that could impact a district's use and timeline of their own project water. USBR cannot be held liable for discretions. In addition, in the biological opinion, SRSC is getting coverage from NMFS for permitting the fish screens in our current contracts, but that could be questionable if no agreement is made and NMFS could potentially determine that district's use of that water would potentially threaten species, and therefore is not covered.

The agreement that SRSC is working on with the USBR, will mitigate and moderate risks and offset reductions as much as possible by getting revenue back in so that if there is a shortage of water, there would be funding available to financially offset that shortage. Trustee Herkert asked if crop insurance would be impacted if the USBR called for water. Thad Bettner believes that will not be an issue, but feels that SRSC should ensure that as the agreement moves forward with USBR.

David Guy from NCWA shared that what happened in 2022 can never be allowed to happen again. The strategies that SRSC is working on is designed to avoid a repeat of 2022 and designed to support the contracts and ensure they are honored by the USBR. There is also a focus on ensuring water on the

landscape, not just in the river, to help with the healthy rivers, healthy fish dynamic. NCWA is focusing on water rights legislation to make it more effective. There have been recent positive impacts, and the bills that had potential negative impacts for Contractors have been stopped or changed. In addition, the strategies being worked on are lining up with the California Governor's plan to get the agreement for healthy rivers completed, which should prompt the government agencies to be a little more constructive when working on these plans.

## **8. Capital Project Updates**

Chairman Hulbert shared that there has been three years of drought that has delayed projects within the District, and now two of those projects are currently underway. District Manager Terry Bressler discussed the current projects. The first one is the Brooks Walker pumping plant uses Sacramento River water, Butte Creek water and recycled water from within the District. Brooks Walker has two pumps which will be upgraded and the plant will have a few other updates to make things run more efficiently.

The second project is the Avis pumping plant which pumps mainly Butte Creek water, but also uses some recycled water. The Avis plant will also be getting a few upgrades to make operations more efficient.

Earlier this year, the BOT approved the installation of two hydro generators in the north part of the cement ditch. This project should save the District money in pumping costs. Emery should be starting installation in the next week or so.

The BOT also approved David's Engineering water accounting software, which will be up and running when the 2024 water year starts. Growers will be able to access their own information to see how much water has gone through the meter to gain current access of water used to date at any time.

## **9. District Operations Update**

### **A. Diversion vs Recycled**

District Manager Terry Bressler reported that 2023 water sources were 75% Sacramento River, 12% Butte Creek, 12% recycled water, and less than 1% from wells.

At this time, District Manager Terry Bressler introduced the District field staff: Steve Crawshaw, Dennis Richardson, Curtis Trujillo and Lazaro Romo-Jimenez.

Public attendee Dan Charter asked if the District is looking to pay off the USBR loan fees. He would like to see RD1004 do that because RD1004 is the only District that he is aware of that still requires RRA forms and would like to get away from that. District Manager Terry Bressler will get updated payoff information from USBR to share at the next board meeting.

## **10. District Office Updates**

Office Manager Barbie Buchanan shared that standby invoices have been sent out. RRA forms are due with water applications, but USBR VERIFY forms can be completed if there have been no changes. This year, the District has separate water applications; one for rice and one for all other crops/ habitat. RD1004 will be using Davids Water Accounting system this year, and would like feedback from the growers or landowners regarding the system.

**11. District Mission Statement**

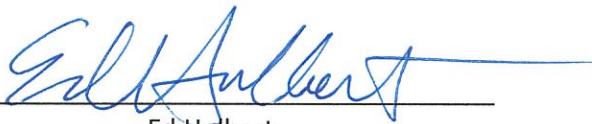
Discussion only, no action taken.

**12. Chairman's Remarks**

Chairman Hulbert thanked everyone for their attendance and welcomed any feedback or questions at any time. Chairman Hulbert thanked previous trustees, and specifically the many years of service from Jack Baber for the work within the District and with SRSC early on.

Meeting adjourned at 12:05 p.m.

**Submitted by Barbie Buchanan.**



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Ed Hulbert  
Chairman of the Board



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Barbie Buchanan  
Secretary to the Board of Trustees