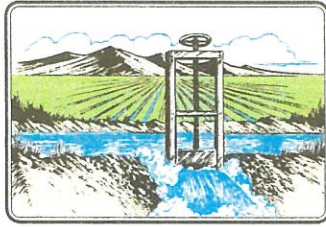


Reclamation District No. 1004



**RECLAMATION DISTRICT NO. 1004
BOARD OF TRUSTEES
November 6, 2024
Regular Board Meeting Minutes**

Board of Trustees (BOT) present: Chairman Hulbert, Vice-Chairman Borrelli, Trustee Herkert, Trustee Mord and Trustee Bailey. RD1004 staff present: District Manager Terry Bressler and Office Manager Barbie Buchanan. Public attendees present: Nicole Garafalo and Deryl Phy. Public attendees by phone: David Barale and Phil Kline.

1. Call the Meeting to Order

Meeting called to order at 9:00 a.m.

2. Approval of Agenda

Motion to approve agenda: Trustee Borrelli
Second: Trustee Herkert
Vote: Unanimous

3. Approval of Minutes

A. October 9, 2024 Regular Board Meeting Minutes

Motion to approve minutes as presented: Trustee Borrelli
Second: Trustee Herkert
Vote: Motion passed with four votes and one abstention.

4. Public to address the Board

Office Manager Barbie Buchanan read a letter received by John Owens with Northern Flight Duck Club to voice his opinion regarding the newly constructed access gate at Morgan Levee that now restricts his irrigation ability, handicapped hunters, club member's access to storage and service vendors. He was instructed by the landowner to park on Putnam Road per a District meeting, and is hoping that the restricted access will change prior to him investing further funds for road maintenance prior to hunting season. The BOT started a discussion regarding who has easements to access the property and who has historically used Morgan Levee whether it be hunters or farmers. Discussion only, no action taken.

5. Financial Report-Discussion and Possible Action

A. Cash Report/Account Balances

Discussion only, no action taken.

B. Interim Disbursements

Motion to approve interim disbursements as presented totaling \$70,741.17: Trustee Mord
Second: Trustee Borrelli
Vote: Unanimous

C. Accounts Payable

Motion to approve the accounts payable list as presented totaling \$43,129.10: Trustee Herkert
Second: Trustee Mord
Vote: Unanimous

D. Accounts Receivable

Office Manager Barbie Buchanan shared that at the time of printing packets there was no a/r to report, however, water billing was completed on November 4th, and there are now four open invoices and checks should be received within the week. October had quite a few high flow deliveries.

E. Profit/Loss Statement

Discussion only, no action taken.

F. Approval of Transfers

Office Manager Barbie Buchanan requested the following transfer:

- Transfer \$12,500.00 from the general fund to County Fund 1 (498)
 - \$2,500.00 to Water Rights
 - \$10,000.00 to Princeton Pumping Plant

Motion to approve transfers as requested: Trustee Mord
Second: Trustee Herkert
Vote: Unanimous

6. New Business

A. Discussion and Possible Action regarding Proposed Gate Construction by California Farms

Justin Micheli with California Farms provided a few maps to show three proposed new gates on their property. District Manager Terry Bressler stated that the only gate that the District may need to look further into is on the Northeast edge because it is so close to the District's property line that without an engineer it is too close to determine the property line.

Trustee Herkert asked what role RD1004 and the Board plays in this situation. The last gate that was constructed in the property, the Board did not have any input, it was just built, and this landowner has brought a plan to the Board, but Trustee Herkert is not clear as to what role the Board has in this. Chairman Hulbert stated that it is because it is on the property line with the District's land.

After further discussion, the BOT determined that the District has easements that were established at the time the District was formed and purchased the lands from Moulton Irrigated Lands, which allows District staff to access the proposed gates. Landowner Justin Micheli has agreed to put it in writing to approve the gate locations for RD1004 staff access subject to his own agreement with any adjoining landowners.

B. Discussion and Possible Action regarding 2024 Rice Water Refunds

Office Manager Barbie Buchanan presented a list of summer rice water refunds totaling \$60,780.28. Most growers asked that their credit be transferred to winter water, and a couple kept their credit on for the 2025 rice season. Chairman Hulbert asked about the size of Trustee Bailey's refund and Office Manager Barbie Buchanan explained that Trustee Bailey pre-paid a large amount in 2023 for 2024 water.

Motion to approve the list of refunds as presented: Trustee Herkert

Second: Trustee Bailey

Vote: Unanimous

C. Discussion and Possible Action regarding approval of WaterSMART grant application

District Manager Terry Bressler asked for approval to submit a grant application for the WaterSMART program with the USBR. District staff will work with Blankenship to reevaluate and update the previously submitted grant proposal to submit for consideration. If awarded, the funding is a 50% match of the \$250,000.00 project for automation and water control structures. District Manager Terry Bressler is working with Blankenship to determine their cost to evaluate the grant proposal. If awarded, the grant funding is a 50% match towards the \$250,000.00

Motion to approve to move forward with the grant application: Trustee Borrelli

Second: Trustee Herkert

Vote: Unanimous

D. Discussion and Possible Action regarding the 2025 Budget

Discussion only, no action taken.

E. Discussion and Possible Action regarding CPA contract related to USBR Funding

Office Manager Barbie Buchanan shared that the District had asked the auditor to send us a proposal for work tied to the USBR funding. This work will be outside the scope of our current contract, but Chairman Hulbert explained he wants to ensure that the District is looking at the accounting and tax side of the funding to ensure that we are reporting correctly, and the auditor will assist with that.

Motion to approve an add-on contract for time and materials at \$250.00 per hour as presented contingent on the USBR MOU finalization/approval: Trustee Herkert
Second: Trustee Bailey
Vote: Unanimous

7. Chairman's Report

A. Update on Sacramento River Settlement Contractors

Chairman Hulbert provided a NRDC litigation update that was shared at the SRSC meeting stating the court has denied NRDC's last appeal to move to an eleven-judge panel. The last step would be the State Supreme Court, and it does not look likely that it would move to that. In addition, Anne with MBK provided a power point presentation regarding Shasta's inflow and water supply info and stated that Shasta is close to the 3.5M inflow projection.

SRSC also provided updates on multiple salmon projects that they are working on. They are working on additional winter run fish plans and the fisheries are considering listing the fall run on the protected list; which would add to the issues SRSC is dealing with. Chairman Hulbert will bring back more information once SRSC provides another update.

The USBR MOU is still not a public document, however, it is getting closer. SRSC is aware that Districts need to let landowners review the document prior to calling a special meeting. The current timeline is that the document will go to all of the districts at the same time for review. The plan is for RD1004 to host a special meeting so that the document can be reviewed and discussed and then can be voted on at the regular board meeting. Currently, the draft MOU document states that Districts may keep the funding that the USBR is obligated to provide regardless of a call to reduce diversions in a qualifying year. Landowner Deryl Phy asked if the agreement means the District is selling its water rights. Chairman Hulbert again stated that this 10-year MOU does not sell water rights and he would not support the agreement if it endangered the District's water rights in any way. Trustee Borrelli confirmed that the USBR MOU would reduce the District's allocation from 75% to 50%, and that does not prevent anyone from planting if the grower has other means of water. Trustee Herkert stated that eligibility for crop insurance will also remain and that 50% of the USBR funding would need to go towards water-saving infrastructure projects, and there is discussion to make that retroactive for projects completed prior to the MOU being finalized. Chairman Hulbert suggested that Butte Creek Farms and Rancho Caleta will have projects within the District that would qualify for their pro-rata share of the water-saving infrastructure requirements.

Chairman Hulbert reiterated that if Districts do not accept the agreement with the USBR, the USBR could take the water just like they did in 2022. Chairman Hulbert is hoping that the timeline, as of today's meeting, will allow the special meeting to be in early December so that a decision can be made before the end of the year.

At the end of the Chairman's report, Chairman Hulbert shared that he has provided the District with his retirement letter. His plan is to retire from the Board of Trustees as of January 1, 2025, which will leave a vacant position for the final year of his term. There will be a 15-day notice period as of January 1, 2025, and a successor can then be appointed at January's board meeting.

8. Manager's Report

A. Update Brooks Walker Final Project Status

District Manager Terry Bressler stated that Brooks Walker will be complete after one section of concrete is poured, which should take place in the next couple weeks, but we will have the total cost of the project by the end of 2024 to provide to the auditor.

At October's meeting the BOT approved a tree removal bid, however, now that vendor has backed out of the project. The District still had the other bids, and District Manager Terry Bressler is asking for approval for next bid at \$7,500.00, but will also ask for one other bid from Big T's.

B. Update Avis Project Status

No new updates, discussion only, no action taken.

9. Old Business

A. Discussion and Possible Action regarding Butte Creek

Discussion only, no action taken.

B. Discussion and Possible Action regarding Solar Program and Proposal

Discussion only, no action taken.

C. Discussion and Possible Action regarding White Mallard Dam Automated Dam Level Cost, Feasibility and Operations

Discussion only, no action taken.

D. Discussion and Possible Action to approve SRSC MOU with USBR (10-year Voluntary Agreement for BIN3 Drought Year)

Updates provided during the Chairman's Report. Discussion only, no action taken.

E. Discussion and Possible Action regarding Comprehensive Testing for Wells and Lift Pumps

District Manager Terry Bressler stated that District staff is waiting for Brooks Walker to slow down and then will have North State Electric & Pump test that location.

At the end of open session, Trustee Bailey asked for input from District staff and the BOT regarding separating rice (summer) water and duck (winter) water. His opinion is to go back to how it used to be and have it separated into two water seasons. Office Manager Barbie Buchanan stated that the water accounting database is operated as a two-water-season year, even though the District in general is operating with one water season. She agrees that a two-water season year is cleaner and supports the idea, but understands that some landowners and growers prefer one season so that they don't have to submit two different deposits, one for summer and one for winter.

10. CLOSED SESSION AND TOPICS TO BE DISCUSSED:

A. Discussion and Possible Action regarding Sacramento River Water Rights/Bureau of Reclamation & California Department of Water Resource

B. Discussion and Possible Action regarding Litigation Updates

Closed session called at 10:45 a.m.

Open session called at 11:30 a.m.

Report out from closed session: Discussion only, no action taken.

Meeting adjourned at 11:30 a.m.

Submitted by Barbie Buchanan.



Ed Hulbert
Chairman of the Board



Barbie Buchanan
Secretary to the Board of Trustees