

Reclamation District No. 2140
211 Main Street
Hamilton City, California 95951

Board of Trustees
Minutes of Meeting Held September 23, 2016

CALL TO ORDER:

The regular meeting of the Board of Trustees of Reclamation District No. 2140 (RD 2140) held on September 23, 2016, at the Hamilton City Community Services District office was called to order at 9:22 a.m. by Board President LeeAnn Grigsby-Puente.

Board Members present: LeeAnn Grigsby-Puente, Walt Stile and Dawit Zeleke (arrived 9:25 a.m.).

Board Members absent: None.

District representatives: Bill Paris, Legal Counsel, Tom Anderson, Interim Secretary

GUESTS: Erik Nagy, Principal Engineer (LWA), Ryan Luster (TNC), Adrian Frediani (TNC by telephone), Seth Wurzel (LWA), Jose Puente, (General Manager HCCSD), Schaelene Rollins (j.harrison Public Relations), Dan James (Hamilton City Fire Chief) Jesus Campos (property owner - arrived 10:20 a.m.), Michael Cook (River Partners) and Ruben Reynoso, Jr (River Partners).

President Grigsby-Puente introduced Michael Cook and Ruben Reynoso, Jr, from the River Partners.

PUBLIC COMMENT: Mr. Cook advised that the River Partners had been awarded the contract for the Phase 1 Ecosystem Restoration. He noted that the River Partners have been active in promoting habitat restoration since 1998. River Partners is a non-profit [501(c)(3)] organization. He also noted that the organization wants to be “engaged with the Community”.

MINUTES:

Board Member Walt Stile made a motion to approve the minutes for the meetings held July 29 and August 26 (as written) and September 16 with minor corrections to the attendance list. The motion was seconded by Board President Grigsby-Puente and it passed by a unanimous vote of the Board members then present.

CORRESPONDENCE:

1. Property tax bill from the County of Glenn for APN 032-330-011-000 (a.k.a. Stile Property). This parcel was transferred by TNC to RD 2140 on December 15, 2015. Interim Secretary Anderson will contact the County to correct the situation since parcels owned by RD 2140 are exempted from property taxes.

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2. Miscellaneous correspondence – no action required nor taken.

REVIEW of FINANCIAL ACTIVITEIS:

1. The Board reviewed the Director’s report received from the County Department of Finance for the period ending 8/31/2016.

OLD BUSINESS:

1. Status report of the project:
 - a. Under Phase 1 construction Erik Nagy reported the embankment is complete and the current focus is on the road crossing at County Road 23. Additionally, removal of the existing J-Levee cannot commence until the four (4) culvert crossings are installed (estimated completion for December 2016). The Phase 1 construction is scheduled for completion in April 2017.
 - b. Mr. Nagy reported that on September 14th, U.S. Army Corps of Engineers (U.S. ACE) had awarded the Phase 1 restoration contract to the River Partners for an estimated \$8.6 million. Mr. Cook advised that he will be the Project Manager and Mr. Reynoso will serve as the Field Manager. Mr. Reynoso reiterated Mr. Cook’s previous statement about Community involvement, noting that they will have the Hamilton High School provide plants for the restoration effort. Mr. Reynoso also stated that the River Partners will do the orchard removal.
 - c. Under Phase 2 Construction, Mr. Nagy noted Adrian Frediani (TNC) and he met with representatives from the U.S. ACE to discuss some of the issues surrounding this portion of the project. This includes the eventual transfer of the remaining TNC property (a.k.a. Westermann property) to the District. Mr. Luster advised he thought the Westermann property transfer would happen by May 2017. Mr. Nagy stated that RD 2140 will need a new agreement with the Glenn-Colusa Irrigation District (GCID) to enable the use of GCID borrow material for Phase 2A. Lastly, it is hoped that the Phase 2A contract will be awarded by August or September 2017.
 - d. Mr. Nagy reported that the recent focus on dealing with the “902 limit” has been through the legislative process. The U.S. Senate approved (9/15/2016) changes to the limit (S. 2848 – Water Resource Development Act of 2016, Section 1050). The House of Representatives is scheduled to consider the measure next week (vote is scheduled for Tuesday 9/27/2016). Ideally the House will pass this section of the measure as passed by the Senate. If not the matter will be considered in conference between the two houses. [Note: Section 902 of the Water Resources Development Act, or WRDA, of 1986

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defines the maximum amount that a project may cost. “The maximum project cost includes the authorized cost (adjusted for inflation), the current cost of any studies, modifications, and action authorized by WRDA ’86 or any later law, and 20 percent of the authorized cost (without adjustment for inflation). The cost of modifications required by law is to be kept separate and added to other allowable costs. These three components equal the maximum project cost allowed by section 902.”]

Mr. Nagy noted that once WRDA 2016 is passed the U.S. ACE would likely provide implementation guidance to the District offices which could take some time.

NEW BUSINESS:

1. Board President Grigsby-Puente provided an update on outreach efforts to date. On September 22nd, she and Ms. Rollins met with neighborhood groups from the Ideal Mobile Home Park and Esperanza Avenue. President Grigsby-Puente thought the information provided was well received. Additional meetings with other “focus groups” will be held as needed. She also noted that preparations for the Levee Festival to be held October 23rd at the Community Park are well underway. Ms. Rollins encouraged referring people to the RD 2140 website and the 1-800 telephone number.
2. Mr. Wurzel provided a summary of Board action needed to initiate proceedings for the benefit assessment election. This includes adopting Resolution 2016-03 which states the District’s intention to levy assessments, preliminary approval of the Engineer’s Report, and to provide public notice of the hearing for the formation of the Special Assessment District and levying of the Special Benefit Assessment for operations and maintenance services. Mr. Wurzel recommended the Board consider New Business, agenda item 3 (Board Resolution 2016-04, adopting Proposition 218 procedures for the Operations and Maintenance Assessment ballot proceedings) along with this agenda item on the same motion. With these actions, the notice of public hearing and ballots will be mailed to property owners before the end of September and the public hearing will be set for November 17th.

A motion to adopt Board Resolution 2016-03 and Board Resolution 2016-04 was made by Board Member Zeleke and seconded by Board Member Stile. The motion was approved by a unanimous vote.

3. Board Resolution 2016-04 was considered and adopted under New Business, agenda item 2.

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4. The Board considered Board Resolution 2016-05, transfer of \$40,000.00 to the Buildings and Improvements (07200) from unanticipated revenues (00998). This action is necessary to cover recent expenses from the P.G. & E. contract and because the during the budget process the District could not predict what additional revenues would be received from the State or from donations. Interim Secretary Anderson asked to meet with Mr. Nagy to arrive at an estimate of future additional revenues.

A motion to adopt Resolution 2016-05 was made by Board Member Stile and seconded by Board Member Zeleke. The motion was approved by a unanimous vote.

REPORTS:

1. **Board:** Board President Grigsby-Puente expressed her concern on restrictions being placed by U.S. ACE on visiting the project site. Mr. Nagy suggested we work through Ms. Rollins if access is needed for news media.
2. **Secretary:** Commented that he continues to receive requests for information from the auditor with state Department of Finance for the compliance audit conducted in July.
3. **Legal Counsel:** No report.

PAYMENT OF RD 2140 BILLS:

Interim Secretary Anderson presented a list of claims for payment (bills) submitted to the County Department of Finance for the period 8/4/2016 to 9/17/2016 and totaling \$30,362.08. Board Member Zeleke made a motion to approve payment of the bills. Board Member Stile seconded the motion and it carried unanimously.

ADJOURNMENT: 10:52 a.m.

The next regular Board Meeting will be held Friday, October 21, 2016, at the HCCSD office at 211 Main Street, beginning at 9:00 a.m.

Respectively submitted,

Arthur T. (Tom) Anderson
Interim Secretary