

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

Board of Trustees
Minutes of Meeting Held November 18, 2016

CALL TO ORDER:

The regular meeting of the Board of Trustees of Reclamation District No. 2140 (RD 2140) held on November 18, 2016, at the Hamilton City Community Services District office was called to order at 9:05 a.m. by Board President LeeAnn Grigsby-Puente.

Board Members present: LeeAnn Grigsby-Puente and Dawit Zeleke.

Board Members absent: Walt Stile.

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

GUESTS: Eric Nagy, Principal Engineer (LWA), Ryan Luster (TNC), Adrian Frediani (TNC by telephone), Megan Jonsson (LWA by telephone), Schaelene Rollins (j.harrison PR – by telephone), Jose Puente, (General Manager HCCSD) and Dan James (Hamilton City Fire Chief).

PUBLIC COMMENT: None.

MINUTES:

Board Member Dawit Zeleke made a motion to approve the minutes for the meeting held October 21, 2016. The motion was seconded by Board President Grigsby-Puente and it passed by a unanimous vote among the Board members present.

CORRESPONDENCE:

1. Fiscal Year 2016 4th quarter quarterly report from U.S. Army Corps of Engineers U.S.ACE. Eric Nagy recommended hold payment until the scope of the DWR agreement is adjusted to include activities such as coordinating with growers for farming (cultural) activities and adjusting the cost amounts with documentation from the U.S.ACE.
2. Miscellaneous correspondence – no action required nor taken.

REVIEW of FINANCIAL ACTIVITIES:

1. The Director's report for October 2016 was not received from the County Department of Finance.

OLD BUSINESS:

1. Status report of the project:
 - a. Under Phase 1 construction Eric Nagy reported he visited the site last week. The contractor is still working on installing four (4) culvert crossings which, are in various states of completion, as is the deer fencing is underway. Work should be completed by April 2107.
 - b. Mr. Nagy reported they are moving forward to include the Vereschagin parcel to the restoration contract.
 - c. Under Phase 2 levee construction, Mr. Nagy noted The Nature Conservancy (TNC) is working with U.S.ACE on a “take letter” and are working on a restoration schedule which includes removing the orchard trees in 2017. Adrian Frediani noted that TNC would like the trees removed in 2017, possibly after harvest. Nagy noted that he expects to see plan from the U.S.ACE in January 2017 and advertising for the contract could occur in June. All of this is pending the title transfer of the “Westermann” parcel and the real estate certification.

For the Phase 2B portion, the original plan of work near the Irvine Finch Boat Launch was to raise the existing levee with some embankment work. The U.S.ACE is now concerned about seepage. Mr. Nagy will review the U.S.ACE engineering (he noted may not agree with their findings) and will look at alternatives. A geotechnical analysis is due in December. U.S.ACE is doing additional analysis on the drainage issues on Mr. Pedersen’s parcel (APN 032-240-011-000). Mr. Nagy met with representatives from P.G. & E. to discuss the gas line relocation. He outlined RD 2140’s preference to limit relocation to the two points where the gas line intersects with the levee. He is waiting for P.G.& E.s’ response. Lastly, Mr. Nagy noted that the U.S.ACE project manager is leaving after only a few months working on the project.

- d. Under the 902 issue, Mr. Nagy reported approval of “Plan A” (the Senate version) does not seem likely. “Plan B” involves updating project cost estimates by the U.S. ACE, which will require “management approval to revalidate the project” (a review of the project benefits). This process could, ideally, take 4-6 months or two years if the scope is to be “reformulated”. Mr. Paris commented the self-imposed earmark ban by Congress could be “reformed” and/or could be “reinterpreted”. [Note: Section 902 of the Water Resources Development Act, or WRDA, of 1986 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.”]

NEW BUSINESS:

1. The Board discussed the results of benefit assessment election and the next steps to be taken. Megan Jonsson noted LWA is preparing the assessment roll and reviewed the process for the benefit assessment direct billing. She and Interim Secretary Anderson will have additional discussions on how the preparation and mailing of the bills will be handled as well as receiving/depositing payments. Board President Grigsby-Puente expressed her appreciation for the effort by everyone involved with the election.
2. There was no further discussion on the Fiscal Year 2016 4th quarter quarterly report from U.S. Army Corps of Engineers U.S.ACE, apart from Mr. Nagy’s recommended to hold payment as noted under correspondence.
3. The Board discussed RD 2140’s participation in Phase 2 of the Mid and Upper Sacramento River Region Emergency Response Project. Participation involves the advance purchase of up to \$22,500 in flood-fight supplies. Purchases are eligible for 100% reimbursement by DWR. Supplies would be stored in a “Se-Land” type shipping container. DWR has a list of recommended vendors.

Board member Zeleke made the motion to participate in the project, subject to RD 2140 having the “cash flow” to cover the initial costs. The motion was seconded by Board President Grigsby-Puente and it carried by a unanimous vote of the Board members present.

4. The Board discussed paying \$3,845.60 for the disposal of asbestos pipe discovered by the U.S. ACE during Phase 1 levee construction on the former Vereschagin Ranch (APN 032-270-014). Mr. Nagy recommended payment as RD 2140 is responsible for its removal. Payment was authorized upon a motion by Board member Zeleke and a second by Board President Grigsby-Puente. The motion carried by a unanimous vote of the Board members present.
5. The Board considered Board Resolution 2016-08, transfer of \$70,000.00 from Reserves placing \$30,000.00 into Professional Services (03230) and \$40,000.00 into Buildings and Improvements (07200). This action is necessary to cover unanticipated expenses from the benefit assessment election and ongoing construction activities because the during the budget process the District could not predict what additional revenues would be received from the State.

A motion to adopt Resolution 2016-08 was made by Board Member Zeleke and seconded by Board President Grigsby-Puente. The motion was approved by a unanimous vote among the Board members present.

REPORTS:

1. **Board:** No report.
2. **Secretary:** No report.
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 10/27/2016 to 11/17/2016 and totaling \$28,662.75. Board Member Zeleke made a motion to approve payment of the bills. Board President Grigsby-Puente seconded the motion and it carried unanimously among the Board members present.

ADJOURNMENT: 10:15 a.m.

The next regular Board Meeting will be held Friday, December 16, 2016, at the HCCSD office at 211 Main Street, beginning at 9:00 a.m.

Respectively submitted,

Arthur T. (Tom) Anderson
Interim Secretary