

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

Board of Trustees
Minutes of Meeting Held December 16, 2016

CALL TO ORDER:

The regular meeting of the Board of Trustees of Reclamation District No. 2140 (RD 2140) held on December 16, 2016, at the Hamilton City Community Services District office was called to order at 9:12 a.m. by Board President LeeAnn Grigsby-Puente.

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

Board Members absent: None.

District representatives: Tom Anderson, Interim Secretary

GUESTS: Eric Nagy and Tony Quintrall (Principal Engineers LWA); Ryan Luster and Adrian Frediani (TNC); Schaelene Rollins (j.harrison PR – by telephone) and Jose Puente, (General Manager HCCSD).

Eric Nagy introduced Anthony (Tony) Quintrall, Principle Engineer who recently began work with LWA. Mr. Quintrall has 12 years' experience. Among his responsibilities will be to assist with the utility relocation effort.

PUBLIC COMMENT: None.

MINUTES:

Board member Dawit Zeleke made a motion to approve the minutes for the public hearing and meeting held November 17, 2016. The motion was seconded by Board member Walt Stile and it passed by a unanimous vote.

Board member Dawit Zeleke made a motion to approve the minutes for the meeting held November 18, 2016. The motion was seconded by Board member Walt Stile and it passed by a unanimous vote.

CORRESPONDENCE:

1. California Department of Finance, Office of State Audits and Evaluations Draft Report-Reclamation District 2140, Proposition 1E (DWR) Grant Audit (see New Business item 3).
2. Received a notice from the County Department of Finance that they will exclude assessments from the Teeter apportionment method of distribution. Distribution will now be when tax payments are received by DOF. Interim Secretary Tom Anderson noted that for FY 2016/17 this will have no impact on the District since we are direct billing and it should have minimal impact on the District in the future as very few property owners are delinquent on their property taxes.

3. Miscellaneous items – no action required nor taken.

REVIEW of FINANCIAL ACTIVITIES:

1. The Director's report for November 2016 was not received from the County Department of Finance by the meeting date.

OLD BUSINESS:

1. Status report of the project:
 - a. Under Phase 1 construction, Eric Nagy reported the contractor is still working on installing four (4) culvert crossings which are in various states of completion. Work is scheduled to be completed by April 2017, but could be completed in January 2017, weather permitting. Mr. Nagy also reported that the U.S.ACE is drafting the operations and maintenance manual.
 - b. Mr. Nagy reported the U.S.ACE is drafting cost modifications to add the ecosystem restoration at the "Vereschagin" parcel to the "Phase 1" effort under a contract with the River Partners. This includes orchard removal with work expected to begin March 2017.
 - c. Under Phase 2A levee construction, Mr. Nagy noted the U.S.ACE is "90% complete" with the drawings which are under internal review. The plans should be available for external review in February 2017, with possible awarding of the contract in September 2017. Future Board action needed includes accepting title transfer of the TNC "Westermann" parcel and renewing the "Borrow Agreement" with Glenn-Colusa Irrigation District.

Ryan Luster added that TNC prefers to transfer title of the Westermann parcel to the District as soon as possible and asked that this matter be placed on the agenda for the January meeting.

Regarding the P.G.&E gas line, Mr. Nagy noted the RD 2140's preference is to limit relocation at the two points of intersection with the new levee (as opposed to paying for relocating the entire line as proposed by P.G.&E.)

For the Phase 2B portion, Mr. Nagy reported that on December 19 he is scheduled to meet with representatives from the U.S.ACE to discuss the seepage issue at the levee protecting the Irvine Finch boat launch facility. Of concern is about 700 feet of levee. Possible resolutions include adding a berm and a relief well.

Mr. Nagy noted the renewal of the DWR grant should include added costs.

- d. Under the 902 issue, Mr. Nagy reported that WRDA passed Congress and is awaiting President Obama's signature. Provisions included revising the project cost upward to \$91 million. The U.S.ACE will review the impact of this and how to proceed. [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 briefly discussed whether to impose a penalty on delinquent benefit assessment payments for the FY 2016/17 direct billing. No action was taken on this item.
2. At Board member Stile's request the Board discussed the need, from an Integrated Pest Management perspective, to prevent insect pest infestations to neighboring orchards caused by suspected insect pest breeding sources in orchards owned by RD 2140. After a brief discussion on the severity of the potential problem this season, the matter will be referred to TNC's pest control consultant, Dr. Clifford Kitayama for his opinion. Interim Secretary Anderson noted that the District has no money set aside for a pest prevention effort (i.e. not directly related to the levee/ecosystem restoration project).
3. The Board discussed the District's response to the California Department of Finance, Office of State Audits and Evaluations, draft "Audit Report: Reclamation District 2140, Proposition 1E Grant Agreement 4600009932". Mr. Nagy is working on the response. He noted that the U.S.ACE receives funds based on work planned for the specified period and does not subsequently provide a detailed accounting of the work performed. DWR is aware of the issue and may be able to assist in resolving any issue.

REPORTS:

1. **Board:** Board President Grigsby-Puente discussed issuing a press release on the recent renewal of the WRDA authorization which included increased project costs. The consensus was to not issue the release. She wants to send "Thank You" letters to area members of Congress who have supported the District.

2. **Secretary:** Interim Secretary Anderson reported on December 8th, he assisted Hamilton City CSD staff to print and mail the “2016/17 Property Assessment Bills”.
3. **Legal Counsel:** Not present, 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 11/30/2016 to 12/7/2016 and totaling \$17,889.54. Board member Zeleke made a motion to approve payment of the bills. Board member Stile seconded the motion and it carried by a unanimous vote.

ADJOURNMENT: 10:20 a.m.

The next regular Board Meeting will be held Friday, January 20, 2017, at the HCCSD office at 211 Main Street, beginning at 10:00 a.m.

Respectively submitted,

Arthur T. (Tom) Anderson
Interim Secretary