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| MINUTES OF REGULAR MEETING |
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| Reclamation District No. 341**Sherman Island** |
|  |
| 9:00 a.m. | 306 Second Street |
| Tuesday, June 8, 2021 | Isleton, California |

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##### The Board proceedings are also available via tele-conference, and you may participate in Public Comment by in this manner. If you wish to comment, please speak and your comments will be considered. Executive Order N-08-21 authorizes local legislative bodies to hold public meetings via teleconference and to make public meetings accessible telephonically or otherwise electronically to all members of the public until September 30, 2021. Members of the public are encouraged to observe and participate in the teleconference. District directors and members of the public may participate in the meeting using the telephone conference line listed below, as authorized by Executive Order N-29-20. Conference Line Number: 1-877-336-1829 Access Code: 3653607

##### CALL MEETING TO ORDER

President/Trustee Juan Mercado called the meeting to order at 9:07 a.m. Jesse conducted the meeting. He stated in an effort to control the discussion, the Board will speak, followed by District staff and employees, and the public will have the final opportunity. He called roll call. Present: Trustee: Juan Mercado, Morgan Johnson, and Rob Black; District’s Attorney: Jesse Barton; Accountant: Perla Tzintzun-Garibay; Engineer: Bob Wagner and Martin Berber; DWR: Bryan Brock; Rio Vista Windsurf Association: Don Ross; District Superintendent: Joel McElroy; Landowner(s): Ceci Giacoma and Ron McCaslin; District Secretary: Cindy Hill.

**PUBLIC COMMENTS**

Don Ross thanked District employee, Ed Hanson for his work on extricating the people that settled out by the access pit. He stated they will have a river safety meeting this Saturday at the County Park.

**ISLAND SECURITY**

Ceci Giacoma stated they will have public safety meeting on June 28 at Bellevie Vineyards (19900 Crossroad) at 6:30 PM. This was spurred by the growth of a large homeless encampment consisting of criminal elements. Deputy Haney is the key speaker; multiple agencies will be attending. Regional Parks will be in attendance, as there have been ongoing issues at the County Parks – including fires on the levee. The Homeless Outreach Representative will also be there. Ceci asked the Windsurf Association to spread the word. Don Ross committed to notifying the windsurfers of the meeting. They have also invited the CHP. Juan Mercado stated he met with Gornto regarding security measures on Hwy 160. They are reviewing for the possibility of installing pipe/fencing to act as a barrier. The intent is to split the cost between the District and access funds from the Fish Release. As this will protect the area. Ceci stated there is an abandoned motorhome across from the triangle. Joel said it is the motor home that was near the pit; the one that the windsurfers ran off. Juan stated we can put a K-rail there to prevent access. Joel stated the area needs to be accessed by Katsuki to start the syphon, therefore it cannot be a permanent closed area. Joel will look at the area and will report back. Ceci stated there has also been fires popping up around the island.

**APPROVAL OF MINUTES**

The Board reviewed minutes of the regular meeting of May 11, 2021. It was MSP (Morgan Johnson/Mercado) to approve the regular meeting minutes of May 11, 2021, as written. This passed 3-0.

**Moved to item 6 – will review item 5 upon receipt of reports.**

**ENGAGEMENT LETTER WITH CROCE, SANGUINETTI & VANDER VEEN, INC TO PERFORM ANNUAL AUDIT**

Perla requested the Board to consider engaging Croce, Sanguinetti & Vander Veen, Inc as the District’s independent auditor. They will perform the annual audit as well as the special district financial transaction report. She sent a copy of the Engagement letter to the Board prior to the meeting. Perla stated there is a slight increase of 2% which is standard. She recommends approval as they have performed the audits in the past and have had no issues. It was MSP (Morgan Johnson/Juan Mercado) to approve engaging with Croce, Sanguinetti & Vander Veen, Inc to perform the District’ independent audit and financial transaction ending June 30, 2021, and a Special District Compensation Report. This passed 3-0.

**ASSESSMENT #25**

Jesse Barton reported the Board will call Assessment 25 at the July meeting, consistent with prior years. Jesse stated the full assessment would be $752,960.90. Perla reminded the Board that this amount includes $24,059.52 from Western Power, which is exempt from the assessment. Perla stated she recommends the full assessment as the current year net income reflects a deficit of $25,000 for general operations, however cumulative cash reserves are sufficient but not enough to cover expenses related to a major flood event. Juan asked if the revenue includes subventions. Perla stated no. Juan stated if you factor in the subventions the District is in the black. Perla stated that going into the next physical year, the District is in a good cash position. Juan recommends a full assessment. All Board members agree. The assessment will be called in July.

**DISTRICT TREASURER – SELECTION OF A NEW DISTRICT TREASURER**

Perla reported the District received the funds from the County on May 19. All documentation is in place. This will be removed from the agenda. Juan inquired where the assessments will be sent. Perla stated the property owners will send their assessments to District 341. This will be included with the assessment notification.

**DISTRICT WEBSITE**

Cindy Hill reported that she has been working on the District website. She is waiting on information to complete the website. Juan stated he would like to have District history on the website. Ceci Giacoma stated she will provide Cindy with some information. He said he would also like to have a picture of the levee break. Cindy notified the Board that she set up a separate Gmail account for the District – RD341.ShermanIsland@gmail.com. Juan Mercado shared with the District that Cindy Hill requested a phone, as there is a possibility that she will be receiving more calls due to the activity from the website – Cindy has been using her personal line for District calls. The Board approved a phone for Cindy. Perla will set this up.

**DISTRICT STAFF**

Jesse Barton provided the background for this discussion. The District is contemplating adding an additional staff members due to the possibility of taking on O&M work on the habitat project. One of the critical elements is the funding for the employee. Jesse stated that we will discuss the funding of this during the SMFA agenda item. Juan Mercado stated we can talk about both items now. Bryan Brock stated he has been working on an amendment to the existing SMFA for time. Jesse stated that Twitchell Island is also looking for an employee to manage their habitat projects. There is a possibility that the time could be split between Districts. Morgan inquired if Perla would determine the costs. Juan stated the funding is not an issue and the amendment will go to 2030. Juan stated this employee will also learn about the island from a flood perspective. They will initially use word of mouth to find candidates for the position. The interviews will be done in a group interview setting. Joel would be the initial point of contact for the applicants. Joel will work with Bryan Brock when he receives an inquiry for the position. Perla stated that each island has different benefits, which may be a complication. Bryan suggests a rate of $18 per hour with an increase to $20 an hour after 6 months. The position would be full time with benefits. Perla asked if it would be better to have the employee hired by one of the Districts and bill out to the other District for work done on the other island. Bryan stated that Twitchell and Sherman have the same type and scope of work. Jesse stated that the best way to handle this would be if the employee was a full-time employee of Sherman Island and there would be a work agreement with Twitchell Island for the work that this employee would perform on that island. Joel and his team will tell people about the position. He also thinks it is a good idea to put it in the Beacon newspaper. Bryan will work with Joel to create a job description.

**ACCOUNTS PAYABLE AND RECEIVABLE**

The Board reviewed the accounts payable for June 8, 2021. Transfer of $615,000 from the general fund is required to cover current month cash disbursements pending approval of $829,603.53 plus 06/20/21 and 07/05/21 payroll checks and related liabilities. Financial statements reflect an ending balance of $48,319.52 after the before mentioned transactions are approved.

 Notes:

* 5/18/21 Visa‐ Joel payment of $497.77 (Arlo, Dolk Tractor, Lira’s/drinking water) was paid with check 10196 due to timing of due dates.
* 06/08/21 PERS payment of $2,928.98 was paid via EFT due to timing of due date.
* 6/08/21 Payroll check to Morgan Johnson: Gross $350.00, Net $319.02.
* 6/08/21 Check to DWR for $31,489.63 to return unspent funds related to SH 08‐2.

General Fund:

Balance in general fund account $576,675.21

Notes:

* Balance of $59,301.13 ($285,000 ‐ $225,699) remaining from Caltrans Co‐op funds held for shared costs relative to SH 10‐2.2.

Perla reported $31,489.63 in unspent advance funds on SH 08-2.0. to be transferred to DWR. Juan inquired about the PG&E funds of $25,000. - Martin stated this is for the tower removal. Juan Mercado reviewed and signed off on the invoices prior to the District meeting. It was MSP (Morgan Johnson/Juan Mercado) to approve the June 8, 2021 accounts payable, receivables and transfers. This passed 3-0. Perla stated that we will remove the reference to warrants due as we will no longer need to issue warrants.

**PG&E TOWER 35/266 REMOVAL**

Martin Berber reported the encroachment permit with invoice for $25,000 deposit was sent to PG&E for review and signature. We are waiting on PG&E to respond. Martin stated they will be onsite; there is still unknown information regarding the footings. Bob Wagner said PG&E will provide additional details on the work; they need to determine the best course of work on completing the work. They will not know what is required until they have examined the footings. Bob stated there will be special conditions attached to the permit to protect the District. Morgan stated that he thought that there were wooden piles with concrete on top. Juan asked if the area will be restricted while the work is being completed. Bob stated they also asked for a larger deposit due to the unknown conditions under the surface. They will not allow them to set up a crane on the levee. Rob Black stated the poor conditions could be acting as a conduit. Bob stated they will communicate timelines as to when the work can be completed.

**BIRD’S LANDING PROJECT**

Martin Berber reported on this project. He reminded the Board that the District didn’t get an encroachment permit, however we did get a $25,000 deposit.

* PG&E submitted an Encroachment Permit Application to DWR.
* Most of the work on Sherman Island will be within the existing PG&E easement. To accomplish the work the work plan has identified several areas outside of the existing easement for which PG&E is applying for an encroachment permit. These areas include the Fall Area and Staging Area at Structure 158 and the Stage/Landing Zone Area and Pull site at Structure 159.
* In addition, PG&E will need to install a temporary gravel the access road and security/livestock fencing. The work area within and outside of the easements are within an area leased by DWR.
* PG&E will work with DWR to coordinate the workplan with the lease holder.
* Scheduled to begin during the Summer of 2021 and completed in the Spring of 2023.
	+ July 2021 – Install gates fences, and bridge.
	+ August-September 2021 – gravel access road, work areas and landing zones.

Martin provided a map of the fall area. Morgan said this area has been known to be fragile. He stated one time the levee split and sank 18 inches in one night. Morgan asked about the weight and estimated time it will take for the poles to fall. He asked if we are getting an impact report to determine the force. Bob stated if it falls in the direction of the shadow that would be the most impact (a 1/3 of would end in the river). He said that the fall will make a thud, however in relation to a small earthquake the impact should be minor. Bob stated PG&E should be able to tell us the weight and the speed of the fall. Bob also said if there is damage, PG&E will have to take care of it. Morgan stated he is concerned as to the direction of the fall. Kleinfelder’s performed Geo Tech work. Wagner and Bonsignore have requested to be a part of that analysis. Bryan Brock stated he doesn’t think the work will happen this year. Juan Mercado stated that DWR has concerns due to the drainage system and infrastructures that are out there. The meeting is set for tomorrow. Juan asked if Morgan and Rob can attend the meeting (by phone) and report back at the July meeting. Morgan reiterated that he is very concerned. Jesse stated the District has their hands tied, somewhat, we are unable to have a lot of control, as this is not on District property. Juan stated DWR has the same concerns. He said we need mitigation measures in place in case something goes wrong. Morgan stated the drop should be away from the levee. Bob stated that the behind the area are the new towers. Bryan asked about using inclinometers and obtaining a topographic and video surveys. Juan stated we need an analysis from the demo contractor. Rob Black said he would like to see their analysis and the safety plan. He stated he knows all the people that are involved with this at DWR. He said he will be able to share the District’s concerns with DWR. Bryan stated PG&E is exempt from CEQA – this will have to be reviewed with DWR as well.

**ENCROACHMENT PERMIT N0 2021-1 (OUTRIGGER MARINA DOCK DEMOLITION)**

Martin Berber reported the work is ongoing.

**SHERMAN ISLAND DRAINAGE PLAN**

Martin Berber reported they are currently developing a drainage plan for Pump 5. They will have an exhibit to present at the July Board meeting.

**FLOOD SYSTEM REPAIR PROJECT AND EMERGENCY REPAIR**

Martin Berber reported Sycamore Environmental has performed a site survey for 200 additional feet of work adjacent to the emergency repair. We are waiting on the results of survey.

**PROJECT FUNDING AGREEMENT SH 10-2.7 – (HWY 160 CONSTRUCTION) AGREEMENT TO ADD A DRAINAGE SYSTEM TO THE PORTION OF THE LEVEE EXPERIENCING SEEPAGE PROBLEMS ALONG THE SACRAMENTO RIVER AT STATIONS 870+00 THROUGH 940+00**

Martin Berber reported:

SH-08-2.2

* By letter dated May 13, 2021, DWR approved the Final Completion Report.
* A check for $31,489.63 will be transmitted to DWR today for the remaining advance account balance plus interest accrued.

Amendment No. 8:

* By email dated June 7, 2021, DWR informed us that the final version of the Amendment is currently being routed internally. The District should receive it by next month’s meeting.

DWR PG&E Easement

* By email dated May 26, 2021, PG&E provided us a Relocation Agreement for the DWR owned parcel. The Relocation Agreement is being used in lieu of an Easement Deed. DWR had requested for PG&E to quitclaim their existing easement in exchange for the new easement. However, PG&E said that a quitclaim would “take some time” due to their internal requirements. The Relocation Agreement will modify the existing easement instead of DWR granting a new easement and PG&E quitclaiming their existing easement.
* By email dated June 3, 2021, DWR approved the Relocation Agreement, and we are currently waiting for the signed documents. On May 7, DWR (Delta Levees Program) informed us that they are still working on the PFA Amendment which will provide $800,000 in additional funding.

Caltrans Encroachment Permit

* On June 3, 2021, we met with Caltrans regarding the Cooperative Agreement (Coop). The District is left with 3 options:
	+ Execute new Co-op and amend existing Co-op.
	+ Amend existing Co-op and attempt to acquire Encroachment Permit.
	+ Return Caltrans funds and attempt to acquire Encroachment Permit.

Jesse provided a history of the project. The District received funds for the power pole realignment in the amount of $250,000 under their SHOPP program. The co-op agreement required the District to spend the funds within a specific time period. The funds were received 2013/2014 and the agreement expired in 2018. The District was unable to obtain permits. The CEQA documents were done 2013/2014. The District continued to try to get the permits. Martin contacted Caltrans to get an encroachment permit. The request was flagged as there was a co-op agreement. Since the agreement expired, they are requesting the District sign a new co-op agreement. The initial document was 3 pages. The new agreement is 34 pages long and the requirements are extensive. Jesse provided some of the requirements. Jesse asked for an amendment to the original agreement, however, Chris at Caltrans says that contract expired. Jesse stated if the District wants to keep the $250,000, we may need to sign the agreement. Jesse explained this could cost District funds. Jesse stated that Caltrans seems to be confused among themselves regarding the District responsibilities. Martin asked Caltrans, what if we just gave the money back, could we get an encroachment permit? Chris said yes, but he does not seem to understand that this complicates the project and could cost the District a lot of money. Morgan inquired if we are able to do the work without an encroachment permit? Jesse said he would look into the risk of completing the project without an encroachment permit. The power poles are part of a joint use agreement. Jesse stated that Chris asked Jesse to redline the agreement on the items that the District has a difficulty satisfying. Jesse said that it would be in the best interest of the District if we could get an extension of the initial agreement, but there is still a risk that it will be flagged when an encroachment permit is requested. Morgan asked how long will it take to get PG&E to move the poles. Martin said we would need to have the clearance to move forward. Martin stated that it will take 2 months to get PG&E out there to move the poles. Martin said that the area needs to be cleared and grubbed. Martin asked if we could do a NOE – so they cannot question the CEQA document. Juan stated we need to make sure PG&E is aware this is approved and do it under subventions as maintenance.

**PROJECT FUNDING AGREEMENT SH 12-1.2 – SCOUR POND HABITAT ENHANCEMENT PROJECT – AN AGREEMENT THAT WOULD FILL THE EXISTING SCOU POND AND CREATE NEW WETLAND HABITAT.**

There is nothing to report at this time.

**DWR “SUBSIDENCE MITIGATION FUNDING AGREEMENT” – FIVE YEAR SUBSIDENCE REVERSAL AND CARBON SEQUESTRATION PROGRAM AND CDFW WETLAND RESTORATION FOR GREENHOUSE GAS REDUCTION CONTRACT**

Jesse Barton provided an overview of the agenda item – which consists of 3-line items: A contract with Ducks Unlimited, advertising for bids for Phase 2 of this project and amending the mitigation funding agreement for time.

Bryan Brock presented the first line item: he stated the Ducks Unlimited project increased in scope and budget (primarily for the giant garter snake monitoring) – he said there is plenty of funds in the budget to add the scope of work. This was MSP (Juan Mercado/Rob Black) to approve the increase in scope of work and budget. 2 approved, 1 abstain, 0 opposed.

Bryan Brock presented a background of Phase 2. Wagner Bonsignore has reviewed the plan set. DWR has approved the plan set. Bryan is requesting approval to go out to bid on this project on July 1, 2021. There is a 7-business day protest that will need to be accounted for. This was MSP (Juan Mercado/Morgan Johnson) to approve this project to go to bid. This passed 3-0. Juan pointed out that we will need to reassess the ground. The District will receive increased revenue to maintain the island.

Jesse Barton provided an overview. The SMFA was written to allow the District to pay staff time though the agreement. The extension will allow additional funds to pay for the O&M as well as complete the project. Jesse recommends approval of the amendment of the funding agreement for time through 2030. It was MSP (Juan Mercado/Morgan Johnson) to approve the amendment to the funding agreement. This was approved 3-0.

**PROJECT FUNDING AGREEEMENT SH 17-1.0 SP - PHASE 1 OF SAN JOAQUIN SETBACK LEVEE/HABITAT BENCH MULTI-BENEFIT PROJECT (STATIONS 175-199)**

Martin Berber reported:

* Contacted Lupe Rodriguez with the County DOT re: Cost Share Agreement on 5/26/2021
	+ As part of the Cost Share Agreement, we are asking the County for $250,000 to cover the costs of an asphalt overlay including pavement striping and markers.
* Contacted PG&E on to 6/2/2021 to propose an alternative power pole alignment connecting to S. Case’s house
	+ We plan to meet PG&E onsite to review the viability of the proposed alignment.
	+ Once we receive approval from PG&E, we will be able to finalize the design and get a cost estimate for the relocation.
* Waiting on final report from Sycamore Environmental to complete the Initial Study/Mitigated Negative Declaration

**PROJECT FUNDING AGREEMENT SH-18-1.0-SP – AGREEMENT WITH THE DEPARTMENT OF WATER RESOURCES TO FUND THE PREPARATION OF THE FIVE-YEAR PLAN.**

Martin Berber reported on-going work. They are currently addressing DWR comments. The biggest comment is that they wanted them to separate the PFA’s under individual programs. Bryan stated there is only one project. Martin said that the Board will see the plan this summer.

**SUPERINTENDENT REPORT**

Joel reported they have been mowing. The staff did a good job while he was on vacation. Brad will be off this week and Ed will be off the 16th through 28th. They have been performing maintenance on the tractor. They cleared the irrigation canal with Round-Up Custom. They placed rock between the windsurf shot and Manzo fish release gate.

**DISTRICT PROPERTY**

Juan Mercado stated Chad Cabral submitted a listing agreement for $170,000. It was MSP (Juan Mercado/Morgan Johnson) to approve the listing agreement with Chad Cabral.

**There being no further business to come before the Board,** **the public meeting was adjourned at 11:44 A.M.**

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##### The presiding Trustee of the June 8, 2021, meeting hereby certifies that the above minutes were approved as read.