

MINUTES OF REGULAR MEETING

Reclamation District No. 341
Sherman Island

9:00 a.m.
Tuesday, July 9, 2024

306 Second Street
Isleton, California

The Board proceedings are also available via tele-conference, and you may participate in Public Comment in this manner. If you wish to comment, please speak and your comments will be considered. 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. Conference Line Number: 1-877-336-1829
Access Code: 3653607

CALL MEETING TO ORDER

Trustee Rob Black called the meeting to order at 9:02 a.m. Jesse Barton conducted the meeting. 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: Trustees: Jas Gill and Rob Black; District Attorney: Jesse Barton; Accountant: Perla Tzintzun-Garibay; Engineer: Neil Favor and Julianna Galindo; District Manager: Morgan Johnson; District Superintendent: Joel McElroy; DWR: David Julian and Vincent Wong; RCD: Amy Williams; RVWA: Chris Kraft and Don Ross; Landowner(s): Chris Gullick, Jamie Renwick, and Ceci Giacoma. District Secretary: Cindy Hill

PUBLIC COMMENTS

Chris Kraft thanked the District for our efforts in coordinating the removal of encampments with Vincent Wong. He said he noticed another one down by the power poles. Don Ross said there were a record number of people on the levee on July 4th. He said there was a small fire that started, and it took the fire department about an hour to get to the site. Don said that SICO and RWA performed a bucket brigade to douse the fire. The Rio Vista Fire Department eventually showed up. Ceci Giacoma stated that the fire department was swamped with multiple fires.

DISTRICT MANAGER'S REPORT

Morgan said he had nothing to report aside from what would be discussed during each agenda item.

APPROVAL OF MINUTES

The Board reviewed the minutes of the regular meeting on June 11, 2024. It was MSP (Jas Gill/Rob Black) to approve the regular meeting minutes of June 11, 2024, as written. This passed 2-0, 1 absent.

ACCOUNTS PAYABLE AND RECEIVABLE

Perla Tzintzun-Garibay reported the accounts payable for June 9, 2024. A transfer of \$105,000 from the general fund is recommended to cover the current months' cash disbursements pending approval of \$150,700.70. Financial statements reflect an ending balance of \$55,034.80 after the above-mentioned transactions are approved.

Notes:

- 6/19 EFT to Kludt Oil for \$95.83
- 7/03 EFT to Kludt Oil for \$3,464.69
- 7/03 Deposit \$131.67 – RD 536 June rent payment
- 7/03 EFT to PERS for \$3,367.83
- 7/09 Payroll E-check to Mark Icanberry: Gross \$350, Net \$319.38

Balance in general fund account \$54.96

Perla reported the annual insurance for auto liability and workman compensation has been paid. Perla recommended issuing 3 warrants 4356 – 4358 for \$25,000 each, total \$75,000, to fund the current payables and operating expenses through the next meeting. Perla sent the financials to the Board prior to the meeting for their review and Rob Black signed off on the invoices. It was MSP (Rob Black/Jas Gill) to approve the June 11, 2024, accounts payable, transfers, submitted invoices and warrants. This passed 2-0, 1 absent.

WARRANT LINE WITH FARMERS & MERCHANTS BANK

Perla reported F&M approved a \$2 million credit line. The Board requested Perla to apply for this during the June meeting. It was MSP (Jas Gill/Rob Black) to approve the increase line by \$1 million to \$2 million. This passed 2-0, 1 absent.

ASSESSMENT CALL NO 28

Jesse Barton prepared the assessment at 100% of the maximum rate. Payments will be sent to the District's accountants Butterfield + Co. CPAs, Attention Perla Tzintzun-Garibay. Perla stated the assessments advised the property owners to make payment to the District. Cindy Hill will place notice for publication with the Rio Vista Beacon today, July 9, 2024. It was MSP (Jas Gill/Rob Black) to approve assessment call #28 and correct the roll. This passed 2-0, 1 absent.

Water Code 51540 - Operation and Maintenance Assessment Notice:

Reclamation District # 341
Sherman Island
18419 State Highway 160
Rio Vista, CA 94571

Notice is hereby given that at a meeting of the Board of Trustees held on July 9, 2024 an installment of \$931,000. was ordered paid within 60 days from July 9, 2024 to September 7, 2024. Any installment which shall remain unpaid on the 7th day of September 2024 will be

delinquent, together with accrued interest (if any be due) and 10 percent will be added thereto and collected for the use of the district.

NEW ASSESSMENT PROP 218

Jesse asked the Board if they would like to consider hiring an engineering firm to develop a new District wide assessment. Jas requested the Board to wait until July; he needed additional time to speak with DWR leadership regarding the increase. Jas has not received a response from leadership and is asking for more time before voting on spending the additional \$40,000 to hire the engineer. Since this will not go into effect until July 2025, Jesse said that we have time to wait on DWR to respond. Perla said this would be good for DWR to include in their budget discussions.

2024-2025 BUDGET

Perla presented the 2024-2025 budget. She included a marker for Western Power reminding the Board that there is a waiver and credit as this is uncollectable. The actual assessment income that the District will receive is \$907,191. She provided a comparison of last year's budget with the actual budget. It was MSP (Jas Gill/Rob Black) to approve the draft budget for 2024-2025. This passed 2-0, 1 absent.

DRAFT OF AUDITED FINANCIAL STATEMENTS

Perla presented the draft audited financial statements. She reported that she reviewed the statements and there were not any modifications or questions from the auditors. It was MSP (Jas Gill/Rob Black) to approve the draft of the audited financial statements. This passed 2-0, 1 absent.

BUTTERFIELD + CO., CPA ENGAGEMENT TO PERFORM ONGOING ACCOUNTING SERVICES

Perla presented the formal engagement letter to engage Butterfield + Co, CPA to perform the accounting services for the District. Perla stated the rate went up \$5.00. It was MSP (Jas Gill/Rob Black) to approve the engagement of services by Butterfield + Co, CPA for the District. This passed 2-0, 1 absent.

VIOLATION OF DISTRICT RULES AND REGULATIONS

DWR Violation:

Jesse provided an overview: the District sent a notice to DWR as cattle were getting into the canals – breaking the banks and causing issues with drainage. The District is requiring fences. Vincent said he has been in communication with the leasees. He said that they do not believe cattle are the issue based on his observation on June 26. Cabral said the cows are getting in around the riser and they believe the request to place the fences are excessive. Vincent is proposing that we work on each scenario case by case. He said that they believe the primary solution is to clean the ditches. He asked how often they are cleaned. Jas said as a trustee, he feels that we should have a site visit before the violations are in place; he also said that 30 feet is a lot of area that the leasees will lose. He said there is one area that they are getting into the ditch. Morgan disagrees and said the canal under the bridge was cleaned last year; He said there is a 3 ft culvert under that canal. Jas said the water is flowing and

clear. Morgan said that there is no use in cleaning the canals as long as the cows go into the canal as they will push the sides into the canal. Joel showed a picture of the damage area. Morgan said we can dig an offshoot and line it with 6-inch minus, but he still believes the fence should be built as this will be an ongoing problem. Morgan said that the District required 30 feet to ensure the canals can be cleaned. He also said the cows are defecating in the canal and this water leads into the river. Morgan said this is not proper stewardship of the land. Jesse said if there is damage to the District facilities the landowner should pay the costs; he said that the cost of rental of the equipment to clean it could be sent to DWR for payment. Rob asked if DWR is responsible for the cost of the fences – Jas said it would be a shared cost between the landowner and the tenant. Jesse said that there are several alternatives as it is clear based on the pictures that the cattle are getting into and damaging the canal. The District could force the lessor to force the lessee to erect the fence, we could require DWR to pay for the maintenance costs to clean out the canal, or we could create an offshoot canal for the cows to drink from, but this would still require a fence to be built. Morgan said that Elgorriaga called Joel and asked him to clean his private canal. Morgan told him that this is not the District's responsibility. Elgorriaga should have called the landowner and not the District about cleaning that canal. Cabral property can be cleaned without a long reach for a temporary solution; he can clean the ditch himself. Morgan said there is also increased pumping because Elgorriaga turns the siphons on and doesn't turn them off. Jesse asked Joel if he knew the cost of renting an excavator. Joel said it is well over \$200 an hour. Jas and Jesse recommended Vincent, Morgan, Jas, and Joel visit the site, and come up with a resolution to present at the August meeting.

Campos:

Neil reported the District has not seen any imported material being delivered to the site. JJ Cortes with Sac County Engineering has provided the District with the DRAFT plan set for Mr. Campos' grading permit submittal. Neil said generally the work would include building a second access ramp off the levee at Sta 1+50 and filling a majority of the project with 6 feet of material. He said it should be noted that Mr. Campos has not prepared an EP Application with the District for the proposed work. Neil said the District will provide comments before it is approved by the County. Neil said that the District should require a geotechnical engineer to provide compaction reports if Campos wants to build another ramp. Jesse said in order for them to build a new ramp Campos would have to provide proof that Caltrans agreed. There is a concern for safety. Neil will advise Mr. Campos to request a new encroachment permit. He will also make sure the County is aware of safety concerns. Rob asked if we previously asked this of Campos. Neil said that Campos was told that he needed a County grading permit.

OUTRIGGER MARINA DAMAGE AND REMEDIATION

Julianna Galindo reported on June 19, 2024, a fire burned the waterside levee debris remaining from the original fire back in October 2023. She said on July 3, 2024, the 43-ft vessel tied up to the remaining dock slips sank and was leaking fuel into the water. The California Department of Fish and Wildlife had two wardens onsite inspecting the incident. Warden Douglas informed W&B that he was in contact with the State Lands Commission regarding the sunken vessel. Julianna said the US Coastguard had been notified and

dispatched resources out to the site. A dive team from Parker Diving Service was also present to assist with vessel recovery. The temporary gangway was still in place on July 3, 2024. However, it was being used as an access point for CDFW to inspect the sunken vessel. She said Mr. Malladi, along with 3 laborers, have made progress with debris cleanup on the waterside levee with a majority of the scrap metal being removed. Smaller debris still needs to be addressed. The next check-in meeting will be August 7, 2024 to assess the progress made by the landowner in cleaning the site. Morgan asked about the pipes for the fuel. Jesse requested W&B to find the pipes and check to see if they need to be removed.

ENCROACHMENT PERMIT NO 2022-4 (PG&E D-1262 GAS TRANSMISSION DIG)

Neil Favor reported PG&E has provided an additional deposit in the amount of \$35,000. He said DWR's EP consultant, BRI, has yet to provide us with an updated schedule for permit reissuance to PG&E.

ENCROACHMENT PERMIT NO 2023-5 (PG&E IDLE LINE REMOVAL)

Neil Favor reported the EP was executed by PG&E and the District on June 13, 2024. He said PG&E is still working with DWR on their EP process. As a result, there is no set date for construction to begin. However, PG&E is mandated by the CPUC to remove the towers by the end of the year.

ENCROACHMENT PERMIT NO 2024-5 (WHALE'S MOUTH SIPHON FISH SCREENING)

Neil Favor reported DWR (David Julian) submitted an EP application for the installation of a fish screen on an existing 12-inch-diameter siphon located at approximate levee Station 594+50 by mail dated July 3, 2024. He said W&B plans to prepare the standard EP with any Special Conditions the Board or staff would like included. David Julian has authorized all District expenses related to processing this EP and monitoring construction to be billed to SMFA. Neil said this is a standard permit, there are no special conditions. It was MSP (Jas Gill/Rob Black) to approve the Encroachment Permit. This passed 2-0, 1 absent.

PUMP NO 4 REPAIR

Julianna Galindo reported Asta completed the repairs to the pump station. She said the final progress and retention invoices will be processed at the August Board meeting.

PUMP 3 REHABILITATION

Neil Favor reported Asta completed repairs to the Pump 3B Discharge Pipe; Asta's invoice will be processed for payment at the August Board meeting. He said work on trash rack replacement design will resume once the District's financial position improves. The trash rack itself has already been manufactured and delivered to the District.

MAYBERRY SLOUGH SETBACK LEVEE HABITAT

Jesse reported he is communicating with Molly and has also contacted Robin Brewer. He said that it is his understanding that this work should require a streambed alteration agreement. Amy Williams is in contact with Molly. They have not done any work; she is holding off until she gets direction from DWR. Jesse said the agreement should be between

the District, DWR and the RCD; it should outline roles and obligations. Jesse will also include Molly on any emails regarding this issue. Molly said they are doing their normal maintenance activities.

DWR “SUBSIDENCE MITIGATION FUNDING AGREEMENT” – AGREEMENT TO BUILD SEVERAL HUNDRED ACRES OF WETLAND IN THE WESTERN AND CENTRAL PORTION OF THE ISLAND IN AN EFFORT TO REVERSE SUBSIDENCE, SEQUESTER CARBON, AND REDUCE GREENHOUSE GASES.

David Julian recommended that the District submit an advance request for \$500,000 against the SMFA. He said they are waiting for final approval of the environmental compliance review. Neil said Gornto has begun work on replacing the 4 gates under warranty; they are estimated to be done at the end of this week. The warranty work on canal widening will not begin until the necessary approvals are received from the regulatory agencies.

PROJECT FUNDING AGREEMENT SH 17-1.1 SP - PHASE 1 OF SAN JOAQUIN SETBACK LEVEE/HABITAT BENCH MULTI-BENEFIT PROJECT (STATIONS 175-199)

Neil Favor reported on the scope of work. He said before the SOW will be approved by CDFW, the District has to prepare a detailed plan to create habitat and protect existing special status species on the waterside of the setback levee. Neil said on June 25, the SWCA biologists surveyed special status species – 75% of the survey work was done. One of the special status species was not in bloom yet; a second survey will be conducted later this month. He said reported on the PG&E overhead utility easements; the revised Plats and Legal Descriptions were sent to PG&E for review on June 4. The only comment they received from PG&E was that they want an additional access easement from Sherman Island East Levee Road to the new power line. On June 26, W&B prepared a letter to DWR Real Estate Branch regarding the required easements on their parcel. Although they approved the alignment, DWR REB has said they do not want an easement on their parcel. Neil said they are currently trying to resolve this issue before the contract with PG&E expires on August 4, 2024. Jesse said he spoke with Martin and Bob on this and they are looking at other alternatives for the pole line. Jas asked if this will be an issue with habitat maintenance in the future. Neil said that there is a 3-year monitoring period that the District will manage.

PUBLIC ENTITY AGREEMENT 34600015864

David said the invoice has been submitted and is in process. Neil said that W&B has completed the emergency as-built plans. The Draft Completion Report will be submitted to DWR by the August Board meeting.

PROJECT FUNDING AGREEMENT SH 24-1.0 SP (MULTI-BENEFIT PROJECT ON SHERMAN ISLAND.

Julianna Galindo reported that the fully executed PFA from DWR has been received. W&B will be requesting an advance from DWR to begin work.

ENGINEERS REPORT

Julianna reported:

- Zaragoza illegal importing of material and grading (APN 158-0020-037-0000)

- She spoke with JJ Cortes from Sacramento County Engineering on July 8, 2024. Mr. Zaragoza reached out and told Mr. Cortes that his lands are used for agricultural purposes. Mr. Cortes informed him that an engineering exhibit needs to be provided to determine if a County Grading Permit would be required. Mr. Zaragoza is planning to engage an engineering firm to assist with the preparation of the requested exhibit.
- Highway 160 Repaving
 - Caltrans submitted an Encroachment Permit Application for the Highway 160 repaving work. This item will be on the August agenda.

SUPERINTENDENT REPORT

Joel reported they are mowing. Carter is working on Whales Mouth east of Sherman Island Cross Road. He said a car went through a cable out on Hwy 160. Joel said he received a call from Brandon regarding where we want the fencing to be placed. Neil said he will go out and ensure it is being installed so that we have access for maintenance. Joel said they are working on the tractor.

There being no further business to come before the Board, the public meeting was adjourned at 11:39 A.M.

X_____

The presiding Trustee of the July 9, 2024, meeting hereby certifies that the above minutes were approved as read.