

## **RECLAMATION DISTRICT NO. 1601**

**306 Second Street  
Isleton, CA 95641**

### **Minutes of the Board of Trustees Regular Meeting**

**July 21, 2026**

#### **1. CALL MEETING TO ORDER.**

President Sgarrella called the regular meeting of the Board of Trustees (Board) to order on July 21, 2026, at 9:03 a.m. ROLL CALL: In attendance: President Barry Sgarrella, Trustee Dave Huston and Trustee Jasbir Gill. District superintendent Mr. Ricky Carter Jr., District's engineer with KSN Mr. Chris Neudeck, District's attorney Mr. Jesse Barton and District's accountant/treasurer Mrs. Perla Tzintzun-Garibay with Butterfield and Company.

Also attending. Mr. Ricky Carter Sr., Mr. Colin Lindberg, Mr. Lance Tress, Ms. Ceci Giacomia, Mr. David Julian, Mr. Ian Jones and Mr. Richard Silva.

Attending by conference call, District's secretary Mrs. Linda Carter, Mr. Shaun Rohrer and Tyler Anthoney.

#### **2. PUBLIC COMMENT: ANY PERSON MAY SPEAK ON ANY TOPIC INCLUDING ANY AGENDA ITEM LISTED BELOW, PROVIDED IT IS WITHIN THE JURISDICTION OF RD 1601.**

Nothing to report.

#### **3. MINUTES FOR REGULAR MEETING.**

President Sgarrella entertained a motion to approve the July 21, 2026, regular meeting minutes as presented, motion was seconded by Trustee Gill, VOTE: AYES: President Sgarrella, Trustee Huston and Trustee Gill NOES: None ABSTAIN: None ABSENT: None, motion carried.

#### **4. ACCOUNTS PAYABLE.**

Mrs. Perla Tzintzun-Garibay discussed the accounts payable, accounting notes and financial statements with the Board. President Sgarrella reviewed the accounts payable before today's meeting. See attached financial reports for details.

Mrs. Tzintzun-Garibay informed the Board that Mr. Salvador Ramos Jr. is eligible now to receive his retirement contributions. Mrs. Tzintzun-Garibay will work with Mr. Ramos Jr. on setting up his benefit account.

Mrs. Tzintzun-Garibay told the Board that there were a couple of invoices that were submitted after the reports were done. Summit Solutions for \$4,000 for cleaning the District's Solar Array panels and President Sgarrella invoice came in late for payment.

After some discussion Trustee Huston entertained a motion to approve accounts payable, transfers, DWR invoices and warrants, motion seconded by Trustee Gill, VOTE: AYES: President Sgarrella, Trustee Huston and Trustee Gill NOES: None ABSTAIN: None ABSENT: None, motion carried.

Mrs. Tzintzun-Garibay told the Board after today's meeting she will arrange paying down \$2M of the District's outstanding warrants.

It was reported by Trustee Gill that NOAA may have their own electrical meter soon, but the District will continue to invoice NOAA because it is a District meter.

**5. BOARD TO RECEIVE AN UPDATE ON RESOLUTION 2026-03. AND ORDER LEVYING ASSESSMENT CALL NO. 35 BASED UPON OPERATION AND MAINTENANCE VALUATION ASSESSMENT ROLL DATED JULY 21, 1992.**

Mrs. Perla Tzintzun-Garibay discussed with the Board that at this time payments are coming in and so far, as of today, Department of Water Resources and California Resources Production Corporation have not paid their portion of Assessment Call 35.

**6. BOARD WILL REVIEW AND DISCUSS AND POSSIBLY ACCEPT AN OFFER FROM CALIFORNIA RESOURCES PRODUCTION CORPORATION (CRPC). ONE OPTIONS TO RETAIN THE ABANDONED GAS WELL PAD AND ADJACENT ACCESS ROAD OR HAVE CRPC REMOVE THE WELL PAD AND ADJACENT ACCESS ROAD AND LEVEE TO GRADE OF THE SURROUNDING SURFACE.**

Mr. Jesse Barton handed out and went over with the Board a letter from California Resources Production Corporation (CRPC), which the District had received. He also passed out a copy of the California Code of Regulations for well site and lease restoration and inspection and plugging and abandonment operations. The letter from CRPC informed the Board that CRPC had plugged and abandoned the gas well (RVGU 225) on the District's northern portion of the Chevron property. They gave the District an option to leave the gravel well pad and any adjacent access roads or remove all base and level to the grade of surrounding surface. President Sgarrella expressed concern about waste materials at the site, but Mr. Barton reported the regulations do not require a well owner to perform soil testing as part of a well abandonment.

Mr. Ricky Carter Sr. explained how the process worked on gas wells. Mr. Ricky Carter Jr. told the Board that he would like to have the gravel removed and stockpiled at the District's shop for the District to use.

After some discussion President Sgarrella entertained a motion that; Reclamation District 1601 approves accepting the proposed abandonment of the gas well pad (RVGU 225) (APN: 157-0130-026) located on the District's northern portion of the Chevron property, but that CRPC should remove the well pad, the adjacent access road and level the grade to the surrounding surface and bring the gravel to the District's shop (located at the South end of the property), motion seconded by Trustee Huston VOTE: AYES: President Sgarrella, Trustee Huston and Trustee Gill NOES: None ABSTAIN: None ABSENT: None, motion carried.

**7. BOARD TO RECEIVE AN UPDATE ON THE SOUTH CHEVRON LEASE REMOVAL OF THE BLACKBERRIES AND PLACEMENT OF THE FENCE.**

Mr. Ricky Carter Jr. read a letter from Mr. Salvador Ramos Sr., giving the Board an update on the removal of the blackberries and placement of the fence on the District's leased south Chevron property. The letter states that unfortunately the progress has been delayed due to unexpected mechanical breakdown of his tractor. Parts were ordered. Despite this setback work continued. Approximately 30% of the fence has been completed. Blackberries have been removed from all accessible areas. The cleared areas are being treated with herbicide to prevent growth and maintain. After some discussion it was decided that this matter will be revisited at next month's meeting.

**8. BOARD WILL DISCUSS THE BENEFIT CHANGES BEING PROPOSED BY ITS CARRIER.**

Mr. Jesse Barton went over with the Board an email from Benefit Resources regarding the District retirement plan. Since 2019, Congress has enacted several pieces of legislature that affect the District's qualified retirement plan which, due in part to the pandemic, have been delayed for adoption until the end of this year.

Mr. Barton went over with the Board on page 3, items 1-3 and the options the Board could take. After some discussion the Board decided on taking the default election. President Sgarrella and Mrs. Perla Tzintzun-Garibay will work together on having Mr. Preston Good's name removed from the email list with Benefit Resources.

**9. BOARD WILL RECEIVE AN UPDATE ON ITS NEW ASSESSMENT ROLL FOR LANDS WITHIN THE DISTRICT.**

Mr. Chris Neudeck reported that after last month's meeting, Mr. Neudeck met with his KSN team and caught up on some updates. There were some complications with the wetlands project and with some of the current changes taking place due to the Setback Levee Reach 6 project. One change made was to the recirculating pumps, which have been brought back to mechanically operational. The recirculating pumps had been without electrical power due to the electricity being disconnected due to the electrical work that was being done to the District's Solar Array project. There was a problem with the siphon in the Wetlands (East) project due to the overlapping of the Setback Levee Reach 6 project. The main siphon with the fish screen on it has been removed and replaced with a temporary siphon. There needs to be a meeting with LWA so the siphon situation can be explained to them. Mr. Neudeck would like to have the Board review the report before it goes to LWA.

**10. SOLAR POWER-THE BOARD WILL DISCUSS RISING ELECTRICITY COSTS. THE BOARD WILL RECEIVE AN UPDATE ON THE SOLAR ARRAY PROJECT. BOARD WILL DISCUSS AND POSSIBLY APPROVE FENCING OF THE SOLAR ARRAY PROJECT.**

Mr. Chris Neudeck told the Board on Friday June 26, 2026, the PG& E interconnection went live.

President Sgarrella informed the Board that even though the interconnection went live on June 26, the District still needs a final inspection by Sacramento County and a final

from PG&E before PG&E will issue a Permission to Operate the solar array. At that point the District will be producing energy that can be back fed to the grid. President Sgarrella also discussed with the Board the process of the Federal Rebates and the steps he is taking for the final inspections with Sacramento County and PG&E before the Solar Array can generate power. The District's consultant Eide-Baily is reviewing the Federal Rebate application and will submit it by November 15, 2026, which is the first opportunity to submit under Federal regulations. We anticipate receiving the Rebates in 45 to 60 days from the date of submission. President Sgarrella has registered the District for the Rebates under the IRS Direct Pay provisions. President Sgarrella told the Board that the Solar Array panels needed to be cleaned so Summit Solutions was hired for \$4,000 to clean the District's Solar Array with a drone. President Sgarrella said now after the panels are cleaned, we can see how much electricity is produced when clean and compare the amount of electricity produced when they are not clean.

Mr. Ricky Carter Jr. reported that the drone cleaned the panels, but he thought future cleanings would be better with physically brushing the panels. He compared it to a touchless carwash vs brushes.

Trustee Gill asked when PG&E and the Sacramento County are done and the District's Solar Array is up and running does the District need to do an assessment on when the pumps should run the most? Trustee Gill believes during the day solar power increases the most and we have no back up batteries. It makes sense to run them at night because it's cheaper to run at night. President Sgarrella said it's not cheaper to run the pumps at night. It turns out that the District pays higher kilowatt chargers during the hours between 5-8 pm seven days a week. The pumps can run any time but **not** between those times. No matter when the electrical power is generated in a calendar year any excess goes to the grid for credit for kilowatt hours. It means if during the summer the District generates excess of kilowatt hours the extra kilowatt hours turn into credits, then if during the winter the District comes up short the credited kilowatt hours will be applied to the District's PG&E bill.

Mr. Ricky Carter Jr. received a quote from Lira's Welding for two twenty-five-foot gates for \$ 5,000.00 and 101 feet by 8 feet tall picket fence with 4-inch spacing on the fence and a 15-foot gate 8 feet tall for \$10,500.00, total amount \$16,000.00.

It was brought up by Mr. Richard Silva that Mr. Louie Lira's wife is the real estate salesperson for President Sgarrella's home. Before the Board went to discuss the matter President Sgarrella excused himself due to this conflict and he went outside while the Board discussed the matter.

After some discussion Trustee Gill entertained a motion to approve the quote from Lira's Welding to build a fence and gates for around the District's Solar Array electrical components, motion seconded by Trustee Huston, VOTE: AYES: Trustee Huston and Trustee Gill NOES: None ABSTAIN: None ABSENT: President Sgarrella, motion carried.

**11. PUBLIC ENTITY AGREEMENT-SYSTEMWIDE MULTIBENEFIT PROJECT FOR SEVENMILE SLOUGH EROSION REPAIR PROJECT (EXPIRES 6/30/2028). THE BOARD WILL RECEIVE AN UPDATE ON THIS PROJECT**

**THAT WILL FUND THE REPAIR OF EROSION DAMAGE TO THE SEVENMILE SLOUGH LEVEE.**

Mr. Chris Neudeck reported to the Board that KSN Inc. is still working on environmental permitting.

**12. PROJECT FUNDING AGREEMENT TW-21-1.2, PROJECT FUNDING AGREEMENT FOR THE PLANNING ENGINEERING, AND CONSTRUCTION OF THE TWITCHELL ISLAND WETLAND ENHANCEMENT AND RESTORATION PROJECT. (TWERP) (EXPIRES 12/31/2027). THE BOARD WILL RECEIVE A STATUS UPDATE AND DISCUSS.**

Mr. Chris Neudeck reported to the Board that the 3-year maintenance period for irrigation and planting is underway and will end on January 31, 2029. And there is a \$20,000 progress payment for T&R Restore. He is still waiting to hear from Ms. Otome Lindsey about amending the PFA before the expiration date of this PFA (December 31, 2027). Mrs. Perla Tzintzun-Garibay said that Ms. Lindsey had sent her some correspondence and that Ms. Lindsey had taken some time off. After some discussion it was decided that it may be too early to request an extension for the PFA, but it needs to be revisited and not forgotten and let Ms. Lindsey take care of it when the time is right.

Mr. Richard Silva told the Board he had a question about the project. Mr. Silva told the Board he wanted to spray the blackberries; he noticed that the trees in the project were all dying. Mr. Silva said he didn't want to be accused of killing the trees because of herbicide drift. Mr. Ricky Carter Jr. said that T&R Restore had been at the project area chopping and spraying. They are irrigating the trees and the pond is leaking. When they turn the siphon on it fills the ponds and irrigates the trees. Mr. Carter Jr. will speak with T&R Restore about why the trees are dying.

**13. PROJECT FUNDING AGREEMENT TW-24-1.0-SP-PHASE 2 OF THE SAN JOAQUIN SETBACK LEVEE MULTI-BENEFIT PROJECT. THE AGREEMENT WITH DWR WILL IMPROVE DISTRICT LEVEES ALONG THE SAN JOAQUIN RIVER. (EXPIRATION 12/31/2028). THE BOARD WILL RECEIVE A STATUS UPDATE AND DISCUSS.**

Mr. Chris Neudeck reported to the Board that approximately half of the designated Type 2 fill (is coming from the District's dredge spoils) was replaced with Type 1 fill (Type 1 fill is coming from Decker Island) due to constructability with wet and unstable native soils. There is a substantial buildup of water at the new berm toe that has been "squeezed out" as a result of the first lift of fill placement. He is expecting to need to push out additional Type 1 fill beyond the new berm toe to create a somewhat stable subgrade to accommodate the construction of the new toe road and ditch. Cost impact is estimated to be approximately \$400k to \$500k.

Mr. Neudeck reminded the Board at last month's meeting he spoke to them about a crack at Levee Station 501+50, which also showed signs of seepage. Right now, the seepage has ceased and the cracking is being monitored and a survey indicates minimal horizontal and vertical movement. The Department Water Resources Real Estate

Division is coordinating with PG&E regarding the power pole relocation easement. Phase 1 project completion is still expected in September 2026.

**14. DWR AGREEMENT “SUBSIDENCE MITIGATION FUNDING AGREEMENT” (SMFA) (WETLAND DEVELOPMENT/SUBSIDENCE REVERSAL AND CARBON SEQUESTRATION PROJECT) (EAST END AND RICE PROJECT) (SMFA EXPIRES 12/31/2030). THE BOARD WILL RECEIVE A STATUS UPDATE AND AN UPDATE ON THE NEED FOR THE PROJECT EQUIPMENT.**

**a.) THE BOARD MAY APPROVE A SECOND CONTRACT WITH THE UNIVERSITY OF CALIFORNIA TO PERFORM MONITORING.**

Mr. Jesse Barton discussed with the Board that at last month's meeting the Board approved the contract with Cal State University (CSU) to do some monitoring within the SMFA lands with CSU and the second university did not give Mr. Barton the contract in time for last month's meeting. University of California Berkeley (UC Berkeley) has approved and signed the contract and is now waiting for the Board to approve and sign the contract. UC Berkley will be doing studies of water quality with the SMFA project. The funds of (\$33,588) will be paid out of the SMFA account.

After some discussion Trustee Gill entertained a motion to approve the Contract with the University of California Berkeley (UC Berkeley) to study water quality within the SMFA project and will be paid (\$33,588) by the SMFA's project funds, motion seconded by President Sgarrella VOTE: AYES: President Sgarrella, Trustee Huston and Trustee Gill NOES: None ABSTAIN: None ABSENT: None, motion carried.

**b.) THE BOARD WILL RECEIVE AN UPDATE ON DWR POLICY AND PROCEDURES FOR FUTURE PRESCRIBED BURNS.**

Mr. Tyler Anthony told the Board that the Department of Water Resources (DWR) is still working on policy and procedures for future prescribed burns. After the policy and procedures have been reviewed by DWR, then DWR will share the new policy and procedures for prescribed burns with the District.

**15. ENGINEERING REPORT: MR. CHRIS NEUDECK.**

- I. Project Funding Agreement TW-24-1.0 SP Phase II of District Multi-Benefit.
  - A. Look under item number 13.
- II. Project Funding Agreement TW-21-1.2 TIMES/TWERP Project.
  - A. Look under item number 12.
- III. District Pump Station Solar Array.
  - A. Look under item number 10.

**16. SUPERINTENDENT REPORT: MR. RICKY CARTER JR.**

- Routine pump maintenance made daily.
- Checked pump oil levels at the pump station daily.
- Performed rodent control.

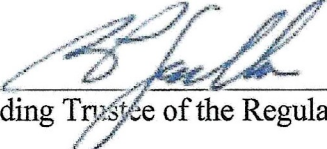
- Currently mowing levee roads.
- Mowing SMFA wetland roads.
- Removed beaver den at Levee Station 471+00.
- Core trenched a seepage spot at Levee Station 502+00.
- Worked on obtaining quotes for security gates and security fence for the District's Solar Array project.
- Worked with Summit Solutions to clean the District's Solar Array panels with a drone sprayer.
- Sprayed the District's C-1 canal and all the waterside slopes around Twitchell Island.
- Ordered a skid steer to use for work on the Department Water Resources Wetlands project roads. And to repair beaver dens and road breaks.

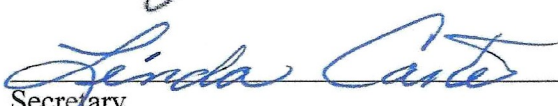
Mr. Chris Neudeck brought to the Boards attention that the District needs to spend more time on District's maintenance projects and less time on the SMFA and Wetland projects. Due to the overwhelming work to catch up on the SMFA and Wetland projects it was suggested by Mr. Jesse Barton to have Mr. Ricky Carter Jr. contact Mr. David Jullian about hiring contractors to do additional work with contracts in place. President Sgarrella would like to look at selling some of the rice projects equipment. Trustee Gile told the Board that Department of Water Resource may put the rice project out to bid one more time.

#### **17. ADJOURN REGULAR MEETING.**

The next regular meeting of the Board of Trustees will be called to order.

August 18, 2026, at 9:00 am, the regular meeting was adjourned at 10:40 am.

  
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Presiding Trustee of the Regular Meeting July 21, 2026, certifies the above minutes.

  
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Secretary