

RECLAMATION DISTRICT NO. 1601

306 Second Street
Isleton, CA 95641

Minutes of the Board of Trustees Regular Meeting

December 20, 2022

Meeting held by teleconference consistent with AB361.

1. CALL MEETING TO ORDER.

President Barry Sgarrella called the special meeting of the Board of Trustees (Board) to order on December 20, 2022, at 9:00 a.m. ROLL CALL: In attendance: President Barry Sgarrella and Trustee Preston Good. District's superintendent Mr. Ricky Carter Sr., District's engineer 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 Jr. and Mr. David Julian. Attending by conference call, District's secretary Mrs. Linda Carter, Ms. Otome Lindsay and Ms. Elizabeth Davis. Absent Trustee Dave Huston.

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 REGULAR MEETING.

President Sgarrella entertained a motion to approve the November 21, 2022, special meeting minutes as written, motion was seconded by Trustee Preston Good VOTE: AYES: President Sgarrella and Trustee Good NOES: None ABSTAIN: None ABSENT: Trustee Huston, motion carried.

4. ACCOUNTS PAYABLE.

Mrs. Perla Tzintzun-Garibay went over the accounts payable, accounting notes and financial statements with the Board. President Sgarrella reviewed the accounts payable before today's meeting. Mrs. Perla Tzintzun-Garibay also noted the following payments made between meetings:

On December 7, 2022, EFT payment to PERS for \$2,579.66 due to the timing of the due date. On December 14, 2022, deposited \$15,720.32 from Dohrmann Insurance refund/cancellation (\$15,510), US Bank Q3 reward (\$78.65) and RD 536 for December rent (\$131.67).

Mrs. Perla Tzintzun-Garibay went over the unpaid invoices with the Board.

After some discussion President Sgarrella entertained a motion to approve accounts payable of 75,532.00, (invoices that were presented today) and the transfer of \$115,000.00 from Bank of Stockton 1878 (General Account) into the Bank of Stockton

4201 (Checking Account), and to pay the invoices presented today, motion was seconded by Trustee Good, VOTE: AYES: President Sgarrella and Trustee Good NOES: None ABSTAIN: None ABSENT: Trustee Huston, motion carried. After some discussion President Sgarrella entertained a motion to approve the transfer of \$13,630.50, from Bank of Stockton 1597 TW 14-1, into the Bank of Stockton 1878 (General Account), motion was seconded by Trustee Good, VOTE: AYES: President Sgarrella and Trustee Good NOES: None ABSTAIN: None ABSENT: Trustee Huston, motion carried. After some discussion President Sgarrella entertained a motion to approve the transfer of \$3,593.79, from Bank of Stockton DWR 5-Year Plan (18-1.0), into the Bank of Stockton 1878 (General Account), motion was seconded by Trustee Good, VOTE: AYES: President Sgarrella and Trustee Good NOES: None ABSTAIN: None ABSENT: Trustee Huston, motion carried. After some discussion President Sgarrella entertained a motion to approve the transfer of \$23,528.84, from Bank of Stockton 3167 (TW 21-1) TIMES, into the Bank of Stockton 1878 (General Account), motion was seconded by Trustee Good, VOTE: AYES: President Sgarrella and Trustee Good NOES: None ABSTAIN: None ABSENT: Trustee Huston, motion carried. Mrs. Perla Tzintzun-Garibay told the Board that TW-1 project is almost maxed out. Mr. Jesse Barton told the Board all Districts invoice's that do not use District's force that is over \$1,000, needs to have a "Under \$25K contract".

Account Receivable: DWR Trust \$9,979.75

Account Receivable: SWP Right of Way Management: \$6,245.10

Special Project Invoices Pending Approval: \$54,426.24

Subventions Claim FY 2020-2021: \$211,586; Expected Reimbursement: \$158,689

Subventions Claim FY 2021-2022: \$186,888; Expected Reimbursement: \$131,241

5. BOARD TO DISCUSS ADDING FIXED ASSETS AND FMV OF DISTRICT OWNED REAL PROPERTY TO THE MONTHLY FINANCIAL STATEMENTS.

Mr. Jesse Barton reminded the Board at last month's District meeting, the Board was told the District is considering financing options for the Solar Array project. President Sgarrella is recommending adding the District's fixed assets and real property to its monthly financial statements, such as the cost of the District equipment, pump station and the land. The Board will need to agree on showing the actual cost of the assets and/or whether to show them at Fair Market Value. Mrs. Perla Tzintzun-Garibay reminded the Board that Bank of Stockton and F&M Bank are local banks and both have processes in place to assist Reclamation District's with their financing needs. President Sgarrella told the Board there is another way of getting the funding and that is finding a third party. Mrs. Perla Tzintzun-Garibay has spoken with Bank of Stockton and President Sgarrella spoke with F&M Bank. The District could consider changing its method of accounting from modified cash to full accrual, however there are additional costs associated with changing to full accrual. Mrs. Perla Tzintzun-Garibay can facilitate the change if the Board wishes. However, if the Board prefers, it may continue to report on the modified cash basis of accounting and still add the fixed assets to its current reporting presentation. If the Board decides to report the assets at fair market value instead of cost, the assets would need to be re-evaluated annually. Furthermore, since the annual independent audit report uses cash basis reporting, the fixed assets will

not be included on the audited financial statements. In addition, Mrs. Perla Tzintzun-Garibay told the Board that she cannot determine the fair market value of any of the fixed assets for the District. Mr. Jesse Barton told the board that Bank of Stockton and F&M Bank will look the District's sources for repayment (i.e. assessment revenue). But if it goes out to a third party this will need to be done. President Sgarrella would like to go to the Bank of Stockton, only thing is Bank of Stockton will want to loan the full amount. In the meantime, Mr. Ricky Carter Sr., will get the prices for the District's owned equipment, District's Pump Station, land and barn. After some discussion President Sgarrella entertained a motion to add the fixed assets to the District financial reports and have a draft of the values for the next District meeting for the Board to discuss and possibly approve. No outside appraisals are needed at this time, motion was seconded by Trustee Good, VOTE: AYES: President Sgarrella and Trustee Good NOES: None ABSTAIN: None ABSENT: Trustee Huston, motion carried.

6. BOARD TO DISCUSS HUNTING AND FISHING WITHIN THE DISTRICT PROPERTY.

Mr. Jesse Barton told the Board that Mr. Ricky Carter Sr. and Mr. Ricky Carter Jr. had called him and told him that on Sunday, the game warden had called Mr. Ricky Carter Jr., telling him that someone was hunting on the Districts property. It turned out to be a friend of Mr. Richard Silva. Mr. Silva's friend did not have a signed card from Mr. Silva. Mr. Chris Neudeck told the Board he had received a phone call from Mr. Silva also. Mr. Silva told Mr. Neudeck that the friend did not have a signed card. Mr. Barton brought the lease between the Bakers and the District to the meeting. It states in the leases that no hunting or discharge of a gun on the District's property except for rodents, squirrels and coyotes control. Mr. Barton told the Board you can either go along with what is in the lease or make changes. Remember Mr. Silva is not a land holder nor on holder on the lease.

After some discussion it was decided by the Board that Mr. Barton would write a letter to Mr. Baker and remind him of the no hunting policy in the lease he has with the District.

7. BOARD TO DISCUSS PHASING OUT SOME OF THE DISTRICT'S OLD EQUIPMENT.

Mr. Ricky Carter Sr. reported to the Board that the last few months the District's equipment has required a lot of maintenance and repair work. He told the Board that he is in the process of finding good used equipment. President Sgarrella told the Board that he thinks it would be a good idea for the Board to go with a long term lease rather than purchasing the equipment for the District.

8. BOARD TO RECEIVE AN UPDATE ON THE DISTRICT'S NPDES SPRAY PERMIT.

President Sgarrella reported to the Board that the public review period has passed and there are no comments. The State Water Board will need a check for \$3,146, for application fees for one year. They have not said if the APAP report needs to be sent to

them. President Sgarrella will send the check, application and APAP report to the State Water Board. This will need to be done yearly.

9. BOARD TO CONSIDER APPROVING THE LEASE EXTENSION FOR THE CHEVRON POINT (SOUTH) PROPERTY.

Mr. Jesse Barton reminded the Board that at the November 2022, at the Board meeting the Board approved the lease for the Chevron Point (South) property with Mr. Joe Mattos. President Sgarrella needs to sign the lease on behalf of the District.

10. BOARD TO RECEIVE AN UPDATE ON THE USGS ENCROACHMENT PERMIT TO INSTALL A WATER QUALITY MONITORING DEVICE ON THE DISTRICT'S PUMPING STATION.

Mr. Ricky Carter Jr., reported to the Board that USGS has completed attaching the equipment bracing to the District's pump station.

11. BOARD TO HEAR AN UPDATE AND DISCUSS THE SHARED USE OF ITS PG&E ELECTRICAL METER.

Mr. Jesse Barton told the Board that he has no update from Mr. Jas Gill (with DWR Real Estate). NOAA trailer still needs a meter and drop. Mr. Bruce Gornito's electrical has been moved to the SMFA project meter.

12. BOARD TO DISCUSS AND DECIDE WHETHER TO RESUME IN-PERSON MEETINGS OR ALLOW BOARD MEMBERS TO ATTEND FROM REMOTE LOCATIONS.

Mr. Jesse Barton told the Board that if the Board wishes to hold remote meetings, then the District will need to approve a resolution every 30 days (before each District Meeting) that extends the Board's decision to hold remote meetings. This may change on February 28, 2023, making it not so easy to call in. After some discussion President Sgarrella entertained a motion to approve Resolution No. 2022-18 Ratifying the COVID-19 State of Emergency and Authorizing Remote Teleconference Meetings Pursuant to the Ralph M. Brown Act, motion was seconded by Trustee Good
VOTE: AYES: President Sgarrella and Trustee Good NOES: None ABSTAIN: None ABSENT: Trustee Huston, motion carried.

13. PROJECT FUNDING AGREEMENT TW-14-1.2-PROJECT FUNDING AGREEMENT FOR A HABITAT ENHANCEMENT PROJECT ON TWITCHELL ISLAND (EXPIRES 10/31/2023). THE BOARD WILL HEAR A STATUS UPDATE AND DISCUSS.

Ms. Elizabeth Davis reported to the Board that at the Setback Levee they plan to reseed the waterside in September or October and on the east end they flagged willows so they can collect cuttings from. Ms. Otome Lindsay told the Board that the funding for TW-14-1.2, should have been exhausted. Mrs. Perla Tzintzun-Garibay told the Board that there is \$3,750.00, left to be spent, then the account can be closed.

14. PROJECT FUNDING AGREEMENT TW-21-1.2, BOARD TO HEAR AN UPDATE ON THE PROJECT FUNDING AGREEMENT FOR THE PLANNING, ENGINEERING, AND CONSTRUCTION OF THE TWITCHELL

ISLAND MITIGATION AND ENHANCEMENT SITE (TIMES) PROJECT (EXPIRES 12/31/2027). THE BOARD WILL HEAR A STATUS UPDATE ON RIGHT-OF WAY ISSUES

Ms. Otome Lindsay reported to the Board that they have been attending meeting about general maintenance for the project. In the spring to next fall (October-November 2023) they will be drill seeding. They are talking with Mr. Jaime Rodriquez about flood watering. The phone maps of the survey map should show all the project land and road. No answer to the right of way issues. Tree and shrubs will not go in till 2024. Need to make sure of the boundaries for the North Conservation easement. Ms. Lindsay asked the Board if the blackberries have been sprayed. Mr. Ricky Carter Sr. told Ms. Lindsay that the District plans to take care of them. Mr. Jesse Barton asked Ms. Lindsay when she receives the final survey maps would she forward a copy to the District.

15. DWR AGREEMENT “SUBSIDENCE MITIGATION FUNDING AGREEMENT” (SFMA) (WETLAND DEVELOPMENT/SUBSIDENCE REVERSAL AND CARBON SEQUESTRATION PROJECT) (EAST END AND RICE PROJECT) (SFMA EXPIRES 12/31/2024). THE BOARD WILL HEAR A STATUS UPDATE AND DISCUSS. THE BOARD WILL CONSIDER AUTHORIZING THE RENTAL OF A BACKHOE FOR USE ON THIS PROJECT.

Mr. David Julian reported to the Board the project is in need of a backhoe. Mr. Ricky Carter Sr. reported to the Board that he had called CORE and United Rentals about a rental backhoe for 4 weeks. CORE and United Rentals is \$3,000 for 4 weeks. After some discussion President Sgarrella entertained a motion to approve spending up to \$3,500 for renting a 4 wheel drive backhoe for the SFMA project for Mr. Tim Nix to use, motion seconded by Trustee Good VOTE: AYES: President Sgarrella and Trustee Good NOES: None ABSTAIN: None ABSENT: Trustee Huston, motion carried. Will be taking some of the Tule’s to Sherman Island. There is an issue with Mr. Jaime Rodriquez’s goats and sheep they are damaging the berms. They may have the goats and sheep kept away permanently. Mr. Ricky Carter Sr. told the Board that Mr. Tim Nix has used the District’s Kubota tractor and mower for the project. Mr. Julian told the Board on December 29th and 30th, they will be flying a drone to see the watered areas on island. Mr. Bruce Gornto told him that there will be water on the wetlands.

16. PROJECT FUNDING AGREEMENT TW-18-1.0-SP-(EXPIRES 12-31-2022). BOARD TO HEAR AN UPDATE ON THE DELTA LEVEES SPECIAL FLOOD CONTROL PROJECT PROGRAM FIVE YEAR PLAN AGREEMENT.

Mr. Chris Neudeck reported to the Board that KSN has received the comments from DWR. KSN needs to respond to their comments.

17. BOARD TO HEAR AN UPDATE AND DISCUSS EXPLORING A SOLAR POWER ALTERNATIVE TO POWER THE RD 1601 PUMP STATION.

President Sgarrella went over with the Board a copy of the November 2022, PGE invoice. The total invoice was \$5,734.03, for the month of November, MAX Peak charges = \$255.75. President Sgarrella called Mr. Ricky Carter Sr. and they figured

out what the problem was why there were so many peak hours. The PLC did not know how to differentiate between daylight savings and standard time. Mr. Matt Boring had to change the clock setting with his computer. President Sgarrella pointed out that this PGE invoice shows not a full month of charges without Mr. Bruce Gornto's trailer hooked up to the District's meter. President Sgarrella told the Board that there is a new ruling on Solar Arrays the ruling comes in to affect April 20, 2023. President Sgarrella told the Board there will be a \$56.00 per month surcharge to have your solar array hooked up to PGE. President Sgarrella will put together the application for the District.

18. BOARD TO DISCUSS AUTHORIZING A FLOOD FIGHT CLASS TO BE HELD ON TWITCHELL ISLAND.

This was discussed at the November 21, 2022 meeting. Look under the engineer's report item E. for comments.

19. ENGINEER'S REPORT: Mr. Chris Neudeck's engineering report is attached to the minutes.

I. AB 360 Delta Levee Subventions Program

- A. Mr. Neudeck reviewed with the Board levee crack repairs at levee station 601+25 to 602+50. Asta Construction and District staff cored the cracks. This Summer 100 feet will need repairs done in this area.
Exhibit A: KSN Photo Summary from Daily field Reports.
- B. Mr. Neudeck reviewed with the Board levee crack repairs at levee station 565+50 to 566+50. Again Asta Construction and District staff cored the cracks.
Exhibit B: KSN Photo Summary Daily Field Reports.
- C. Mr. Neudeck reviewed with the Board the levee leak at levee station 463+00. On Saturday December 10, 2022, found two boils-400' East of the District's pump station. Mr. Ricky Carter Sr. and Mr. Ricky Carter Jr. bagged boils with the help from Owl Harbor (4).
Exhibit C: KSN Photo Summary Daily Field Reports.
- D. Mr. Neudeck reviewed with the Board the public comments 2022 Projects Solicitation Package for Multi Benefit Projects.
Exhibit B: Responses to Public Comments from DWR dated December 12, 2022.
- E. Mr. Neudeck reviewed with the Board the outcome of Flood Fight Preparedness class held on Tuesday, December 6, 2022. He told the Board that the class went very well. KSN, Sherman Island RD, RD 1601 and Owl Harbor personal attended.
- F. Mr. Neudeck handed out Tidal Calendars.
Exhibit E: Under Separate Cover

II. Districts Drainage Pump Stations

- A. Mr. Neudeck told the Board that the first diver attempted to remove the screen off of pump number 2, but failed due to not having the right equipment. The second diver had the right equipment and completed removing the screen off the bottom of pump number 2. The sump has been cleared of debris and the gauges have been placed. President Sgarrella told the Board while the second diver was here the PLC and pump were having communication problems. Mr. Greg

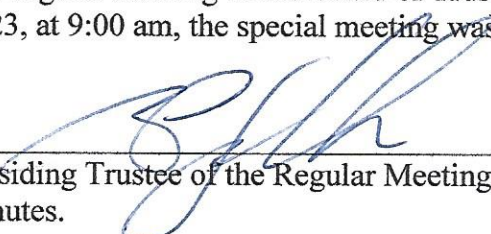
Moorman came and checked everything out.

20. SUPERINTENDENT REPORT: Mr. Ricky Carter Sr.

- Routine levee patrols daily.
- Checked pumps and oil in the pumps at pump station daily.
- Papé mechanic installed the fuel tank on the District's excavator.
- On November 30, 2022, worked with Mr. Keith Lyons (diver), to remove the screen from the District's pump number 2.
- Completed toe ditch cleaning with the short reach boom.
- Changed booms on the District's excavator from short reach boom to long reach boom.
- Two holes found in the Levee Crown at Levee Stations 607+00 and 560+00.
- Called ASTA Construction for an expeditious repair.
- On December 5, 2022, borrowed chairs from Montezuma Fire for Flood Fight class.
- On December 6, 2022, held flood fight class.
- Put rake on the District's excavator bucket.
- Called Mr. Casey Stockon for name of a diver.
- Contacted divers from Blackwater to remove screen on the District's pump number 2.
- Worked with Blackwater diver to remove the screen on the District's pump number 2, completed.
- Tested District's pump number 2, and it operated at 12,000 to 13,000 gpm.
- Cleaning Prim Rose from District's canal C-2 and C-1.
- On December 10, 2022, Flood Center notification for monitor stage- found two boils- 400' East of the District's pump station. Mr. Ricky Carter Sr. and Mr. Ricky Carter Jr. bagged boils with the help from Owl Harbor (4).
- On December 11, 2022, high water inspection.
- Spoke with President Barry Sgarrella and found that PLC needed to be changed from PSI-to DST, had to have Mr. Matt Boring make the change.
- Went to KSN to pick up invoices from ASTA.

21. ADJOURN:

The regular meeting of the Board of Trustees will be called to order January 17, 2023, 2023, at 9:00 am, the special meeting was adjourned at 11:12 am.



Presiding Trustee of the Regular Meeting December 20, 2022, certifies the above minutes.



Secretary