

RECLAMATION DISTRICT NO. 1601

**306 Second Street
Isleton, CA 95641**

Minutes of the Board of Trustees Regular Meeting

July 15, 2025

1. CALL MEETING TO ORDER.

President Sgarrella called the regular meeting of the Board of Trustees (Board) to order on July 15, 2025, at 9:02 a.m. ROLL CALL: In attendance: President Barry Sgarrella, Trustee Dave Huston and Trustee Jasbir Gill. District's 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. Salvador Ramos, Mrs. Brooke Carter, Mr. Steven Garcia, Ms. Ceci Giacomini, Mr. David Julian, Ms. Otome Lindsey and Mr. Richard Silva.

Attending by conference call, District's secretary Mrs. Linda Carter.

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.

Mr. Steven Garcia with Department of Water Resources (DWR) introduced himself and announced that he will be attending the District's meetings representing DWR as project manager for Sherman and Twitchell Island DWR special projects.

3. MINUTES FOR REGULAR MEETING.

Trustee Gill entertained a motion to approve the June 17, 2025, regular meeting minutes as presented, motion was seconded by Trustee Huston, 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 and Trustee Huston reviewed the accounts payable before today's meeting. See attached financial reports for details. After some discussion President Sgarrella entertained a motion to approve accounts payable, transfers, DWR invoices and issuance of warrants, motion seconded by Trustee Gill, VOTE: AYES: President Sgarrella, Trustee Huston and Trustee Gill NOES: None ABSTAIN: None ABSENT: None, motion carried.

5. BOARD WILL HEAR AN UPDATE FOR ASSESSMENT CALL NO. 34 BASED UPON OPERATION AND MAINTENANCE VALUATION ASSESSMENT ROLL DATED JULY 21, 1992.

Mrs. Perla Tzintzun-Garibay discussed with the Board that at this time \$645,953.61 is outstanding.

6. BOARD TO DISCUSS AND POSSIBLY APPROVE A PROPOSED THREE-YEAR BUDGET, SECOND ASSESSMENT FOR 2025-2026 AND INCREASING THE ASSESSMENT RATE FOR THE DISTRICT.

Mrs. Perla Tzintzun-Garibay discussed the with the Board that at the District's June meeting the Board approved the budget for July 1, 2025-June 30, 2026. The Board wanted to address the idea of raising the existing assessment because the present assessment rate is not enough to cover the rising expenses. Mrs. Tzintzun-Garibay was asked at the June meeting to present to the Board a three-year forecast budget. She told the Board that she needs more information from the District's superintendent but she had a Profit and Loss Budget Projection for July 2025 through June 2026, and a spreadsheet for the District's special projects to hand out to the Board for discussion. After a lengthy discussion it was decided that Mr. Jesse Barton and Mr. Neudeck would contact a few engineering consulting firms for the Board to consider hiring to prepare a new assessment roll for the Board to discuss at the August meeting.

7. BOARD TO CONSIDER AND POSSIBLY APPROVE EMPLOYEE'S REQUEST TO ADD DENTAL INSURANCE TO EMPLOYMENT BENEFITS PACKAGE.

Mrs. Perla Tzintzun-Garibay went over with the Board several dental insurance plan options. The Board decided to table this matter and address the matter at next month's meeting.

8. EMPLOYEE MANUAL-THE BOARD WILL CONSIDER APPROVING AMENDMENTS TO ITS EMPLOYEE MANUAL.

Nothing to report at this time.

9. GRAZING LEASES- THE BOARD WILL HEAR AN UPDATE AND DISCUSS WITH ITS GRAZING LEASES WITH IOU SHEEP COMPANY AND RELATED THEFTS. THE BOARD MAY TERMINATE OR AMEND THE LEASES OR TAKE OTHER NECESSARY ACTION.

Mr. Jesse Barton told the Board after the June meeting he contacted Mr. Cole Bakke and asked him if he intends to keep his two leases with the District (Levee Lease and 40 Acre Lease at Chevron Point). Mr. Bakke told him that he wants to keep both leases until the end of the year.

The Board needs to decide whether to wait till the end of the year and let the leases run out or the other choice is to terminate the leases now. President Sgarrella told the Board he had spoken with Mr. Bakke and got the same response. Mr. Bakke has not done anything to the 40 acres at the Chevron Point the Board had requested him to do according to the lease. It was brought to the Boards attention that he has a burned-out

trailer that burned 2 to 3 years ago at the District pump station area, which he has not taken care of. After some discussion it was decided that Mr. Barton will write a letter to Mr. Bakke and tell him that the Board intends to terminate both leases at the August meeting.

10. SOLAR POWER-THE BOARD WILL DISCUSS RISING ELECTRICITY COSTS. THE BOARD WILL RECEIVE AN UPDATE ON THE SOLAR ARRAY PROJECT.

President Sgarrella provided the Board with the solar array update. Panelized Structures Inc. delivered the solar panels they are being stored at the District's Chevron Barn. This following Monday July 21st, Panelized Structures Inc. will start installing them. President Sgarrella is still having conversations with PG&E about the transformer and its placement. They have agreed to a sealed transformer but there are still questions associated with where it goes and how it gets installed.

Mr. Chris Neudeck told the Board KSN has requested a site meeting to discuss layout challenges at the site. Only sub-surface transformers constructed are accepted with a watertight vault and cannot be installed above ground. The ground water at this location is very shallow, making installation in a vault sub-surface challenging. Pad mount transformers cannot be installed on an elevated platform. It has been suggested that a three-foot cement vault be installed.

Mrs. Perla Tzintzun-Garibay told the Board the District has not received an invoice from PG&E for the second month in a row. Apparently, there are some issues with the battery in the meter.

11. SEVENMILE SLOUGH LEVEE EROSION REPAIR PROJECT. BOARD WILL RECEIVE AN UPDATE ON THE SEVENMILE SLOUGH EROSION REPAIR PROJECT.

Mr. Chris Neudeck discussed with the Board the status of the erosion repair project on Sevenmile Slough. Currently the plans are 60% completed and will be at 90% by the end of the week. After Mr. Neudeck and Mr. Ricky Carter Jr. inspected the area again, it was decided that the erosion repair project will need to be shifted more to the west. More cross sections need to be done to get the plans updated. KSN will submit the completed plans to DWR for review by end of the week. US Army Corps of Engineers (USACE) Nation Wide Permit (NWP) and State of California Regional Water Quality Control Board (RWQCB) permit applications are drafted and ready to be sent once plans are ready for review by the end of the week. State of California Department of Fish & Wildlife (DF&W) 1600 Permit has been prepared for submittal at the end of next week and can be finalized once plans are ready. Dianne Moore, KSN contact biologist, is scheduled to conduct the biological assessment, unknown on actual date she has been very busy. KSN is urging her to complete it soon.

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). BOARD WILL RECEIVE A STATUS UPDATE AND DISCUSS.

Mr. Chris Neudeck discussed with the Board the status of the Twitchell Island Wetland Enhancement and Restoration Project (TWERP). Mr. Neudeck asked the Board for their approval to go out to bid for the plans and specs from Still Water Sciences and Department of Water Resources for the planting /irrigation project anticipate to award the contract at the District's August board meeting. Ms. Otome Lindsey told the Board the bid walk will be held on July 31st. Mr. Jesse Barton reminded Ms. Lindsey and Mr. Neudeck that this project uses prop 84 funds and the District is still using Ms. Carloyn Lay for certifying wages and she will need to be notified.

After some discussion President Sgarrella entertained a motion to approve giving KSN authority to go out to bid for the planting/irrigation project for the TWERP, motion seconded by Trustee Gill, VOTE: AYES: President Sgarrella, Trustee Huston and Trustee Gill NOES: None ABSTAIN: None ABSENT: None, motion carried.

13. PROJECT FUNDING AGREEMENT TW-24-1.0-SP-PHASE 2 OF THE MULTI-BENEFIT PROJECT (EXPIRATION 12/31/2028). BOARD WILL RECEIVE A STATUS UPDATE AND DISCUSS.

Mr. Chris Neudeck reported to the Board the status of the Twitchell Island Wetland Enhancement and Restoration Project.

The final design of Phase 2 (i.e., toe berm) is underway, anticipating the submission of the plan and specification to DWR towards the end of July. A meeting will be set up with DWR/CDFW shortly to discuss compensatory mitigation. GEI will be setting up a consultation with Delta Stewardship Council shortly regarding the consistency finding process. He anticipates bidding Phase 2 this fall and beginning construction in May 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. THE BOARD MAY APPROVE A CONTRACT WITH ECOSYSTEM CONCEPTS TO GRAZE PORTION OF THE PROJECT.

Mr. Jesse Barton handed out copies of the contract with Ecosystem Concepts to graze the berms in the rice project. The cost is \$20,000 and will be covered by the SMFA funds. After some discussion Trustee Huston entertained a motion to approve a contract with Ecosystem Concepts to graze portions of the SMFA project, motion seconded by President Sgarrella, VOTE: AYES: President Sgarrella, Trustee Huston and Trustee Gill NOES: None ABSTAIN: None ABSENT: None, motion carried.

The goats will graze and maintain the project until September 20, 2025. Mr. David Julian will be the manager. If there is a problem with the goats, call Mr. Ricky Carter Jr. first.

Mr. Julian asked the Board to keep the water level in the District's canal down and to hold on to the equipment for another month or two until the rice bid is awarded.

15. ENGINEERING REPORT: MR. Chris NEUDECK.

- I. Project Funding Agreement TW-21-1.2 TIMES /TWERP Project.
 - A. Look under item number 12.
- II. Project Funding Agreement TW-24-1.0-SP Phase II of District Multi-Benefit
Look under item number 13.
- III. District Pump Station Solar Array.
 - A. Look under item number 10.
- IV. Systemwide Multi Benefit Project Sevenmile Slough Erosion Repairs.
 - A. Look under item number 11
- V. AB 360 Levee Subvention Program.

Mr. Chris Neudeck reviewed with the Board the discovery of levee seepage at Levee Station 235+00, just east of the center island road along Sevenmile Slough levee. Mr. Neudeck seeks from the Board authority to core trench this area to suppress the seepage. After some discussion it was decided by the Board that the District's personnel and equipment will be used for this process, instead of hiring someone to do it. Mr. Ricky Carter Jr. told the Board that before he can proceed with the coring, he needs to either rent the correct bucket or purchase one for the District's excavator.

16. SUPERINTENDENT REPORT: MR. RICKY CARTER JR.

- Routine levee patrols are made daily.
- Routine pump maintenance made daily.
- Rodent control.
- Mowed District levees.
- Cleaning District toe ditches.
- Put SMFA Wetlands and the Rice Project (for Twitchell and Sherman Island) position back on Indeed and held interviews with candidates for the position.
- The District took delivery of the Solar Array panels and had them placed in the District's Chevron Point shop.
- Found a leak at Levee Station 235+00.
- Met with KSN on site for the Sevenmile Slough project.

17. CLOSED SESSION: PUBLIC EMPLOYEE PERFORMANCE EVALUATION-EQUIPMENT OPERATOR /LABOR.

Closed Session: at 10:58 am.

18. REPORT AFTER CLOSED SESSION.

Closed Session Opened at 11:02 am.

No action reported.

19. BOARD TO DISCUSS ADJUSTING COMPENSATION FOR ITS EQUIPMENT OPERATOR/LABOR.

After some discussion President Sgarrella entertained a motion to increase the District's Equipment Operator/ Labor Mr. Salvador Ramos compensation in the amount of 4% starting July 16, 2025, making the hourly wage \$32.00, motion seconded by Trustee

Gill, VOTE: AYES: President Sgarrella, Trustee Huston and Trustee Gill NOES: None
ABSTAIN: None ABSENT: None, motion carried.

20. CLOSED SESSION- INTERVIEWS FOR DWR SPECIAL PROJECTS.

Closed Session at 11:03 am.

21. REPORT AFTER CLOSED SESSION.

Closed Session Opened at 11:53 am.

No action reported.

22. ADJOURN REGULAR MEETING.

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

August 19, 2025, at 9:00 am, the regular meeting was adjourned at 11:54 am.



Presiding Trustee of the Regular Meeting July 15, 2025, certifies the above minutes.



Secretary