RECLAMATION DISTRICT NO. 1601

306 Second Street
Isleton, CA 95641

Minutes of the Board of Trustees
Regular Meeting

September 16, 2025

1. **CALL MEETING TO ORDER.**
   President Sgarrella called the regular meeting of the Board of Trustees (Board) to order on September 16, 2025, at 9:03 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. Salvador Ramos, Ms. Ceci Giacoma, Mr. David Julian and Mr. Richard Silva.
   Attending by conference call, District's secretary Mrs. Linda Carter and Ms. Otome Lindsey.

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.**
   Trustee Gill entertained a motion to approve the August 19, 2025, regular meeting minutes as presented, motion was seconded by President Sgarrella, 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.
   After some discussion President Sgarrella entertained a motion to approve accounts payable, transfers, DWR invoices and paying 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 TO DISCUSS AND POSSIBLY APPROVE ENGAGEMENT LETTER FROM CROSE, SANGUINETTI & VANDER VEEN CPA'S. INC. TO**

PREPARE THE INDEPENDENT AUDIT AND SPECIAL DISTRICT FINANCIAL TRANSACTION REPORT FOR THE YEAR ENDED JUNE 30, 2025.

Mrs. Perla Tzintzun-Garibay told the Board that the District's audit and the special district financial transaction report is coming up for the year ending June 30, 2025. Croce, Sanguinetti & Vander Veen Inc. sent their letter of engagement to perform the annual independent audit and special district financial transaction report for the year ending June 30, 2025. Mrs. Tzintzun-Garibay told the Board we have had only good experiences with the company, and they are up to date on the laws and procedures of accounting. Mrs. Tzintzun-Garibay recommends for the Board to approve the Districts audit and the Special district financial transaction report for the year ending June 30, 2025. After some discussion, Trustee Huston entertained a motion to approve the letter of engagement with Croce, Sanguinetti and Vander Veen to perform the District's Audit and Special Districts Financial Transactions Report for year ending June 30, 2025. President Sgarrella seconded the motion VOTE: AYES: President Sgarrella, Trustee Huston and Trustee Gill NOES: None ABSTAIN: None ABSENT: None, motion carried.

6. **BOARD WILL RECEIVE AN UPDATE ON THE HIRING OF LWA, AN ENGINEERING GROUP WHO IS DEVELOPING A NEW ASSESSMENT FOR THE DISTRICT.**

   Mr. Jesse Barton gave the Board an update as of today. Mr. Barton, Mr. Chris Neudeck and Ms. Perla Tzintzun-Garibay have not spoken with Larsen, Wurzel and Associates, Inc. (LWA). They are scheduled to speak with LWA at 1:00 pm today.

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

   The Board reviewed the amended employee manual with changes and edits. Mr. Jesse Barton has made edits, additions and changes to the employee manual. He added the work duties and dental plans along with changes and updates to comply with the labor laws. After discussion President Sgarrella entertained a motion to approve the amended District employee manual, motion seconded by Trustee Huston, VOTE: AYES: President Sgarrella, Trustee Huston and Trustee Gill NOES: None ABSTAIN: None ABSENT: None, motion carried.

8. **GRAZING LEASES- THE BOARD TO RECEIVE AN UPDATE AND MAY CONSIDER PUTTING OUT TO BID 45-ACRE LEASE AT CHEVRON POINT.**

   Mr. Jesse Barton went over with the Board what was discussed at last month's meeting. The issue is Mr. Cole Bakke a (IOU Sheep Company) did not want to renew his lease and if the Board wanted to put the 45-Acres (at South Chevron Point) out to bid or clean it then put it out to bid. Mr. Richard Silva made an offer to clean it up in return for free rent. Mr. Ricky Carter Jr. was going to see what it would cost to remove blackberries and put up a fence. Mr. Carter Jr. told the Board he had called a couple companies for quotes and they haven't returned his call yet. After some discussion it was decided that Mr. Carter Jr. will continue the process of getting quotes on someone to remove the blackberries, put up a fence and for a grinder to rent or buy to be used to grind the blackberries. Mr. Carter Jr. told the Board that Mr. Cole Bakke has removed everything off the District's 45- acre property but still has items on the state's property (2 to 3 trailers). President Sgarrella asked Mr. Silva to put his offer in writing and present it to the Board.

9. **SOLAR POWER-THE BOARD WILL DISCUSS RISING ELECTRICITY COSTS. THE BOARD WILL RECEIVE AN UPDATE ON THE SOLAR ARRAY PROJECT.**
   President Sgarrella told the Board this month the PG&E bill came in on time. The bill this time is $14,233.72.
   President Sgarrella talked with the Board about the issues with PG&E. There are two main issues: the placement and installation of the transformer and switchgear. He reported that PG&E came back from the staff level and PG&E refuses to put the switchgear where the District wants to put it in the pump house. The person President Sgarrella is working with said she will take the appeal to her supervisor. So, President Sgarrella sent an email to the supervisor and asked if PG&E would come out to the site and have a look for themselves and discuss the placement of the switchgear and transformer. President Sgarrella received an email back from the supervisor saying he was going to be out of the office until next week. President Sgarrella expects to hear from supervisor Mr. Greg Gillis next week. The switchgear is being securely stored in Modesto. President Sgarrella went over the items that still needs to take place, the approval of the placement location of the switchgear and transformer and an execution of an interconnection agreement with PG&E. Also, the District will need to decide who will do the hook up of the line. Will be the District hiring a contractor to hook up the line or will PG&E do the hook up?

10. **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. Survey took place in September 2025. Revised plan set is at 90% and will be submitted to the Board next month. Tentative construction date will be September 2026.
    The Board discussed blackberries growing on the levees. Mr. Neudeck said if the District removes the blackberries the District must allow them to regrow. The District looks at blackberries as invasives and the Department of Fish and Wildlife looks at the blackberries as habitat.

11. **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. THE BOARD MAY REVIEW BIDS AND AWARD A CONTRACT FOR IRRIGATION AND PLANTING**

Mr. Chris Neudeck discussed with the Board the status of the Twitchell Island Wetland Enhancement and Restoration Project (TWERP). Mr. Neudeck told the Board that bids from contractors had been received for contract for irrigation and planting. DWR has endorsed the lowest, responsive, responsible bidder T& R Restore.
After some discussion President Sgarrella entertained a motion to approve awarding T&R Restore the contract for irrigation and planting, motion seconded Trustee Gill, VOTE: AYES: President Sgarrella, Trustee Huston and Trustee Gill NOES: None ABSTAIN: None ABSENT: None, motion carried.

12. **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). BOARD WILL RECEIVE A STATUS UPDATE AND DISCUSS. THE BOARD MAY APPROVE THE PURCHASE OF MITIGATION CREDITS UPON CONFIRMATION OF THE APPROPRIATE MITIGATION BANK.**
Mr. Jesse Barton explained to the Board that mitigation credits must be acquired as part of this project, although it is unclear where the credits will come from.
Mr. Chris Neudeck told the Board right now KSN is in the process of processing the bulk credits and working with Department of Fish and Wildlife to purchase the credits Ms. Otome Lindsey told the Board that Mr. Almass had reached out to her about the purchase of credits through the TWERP wetland project, although this is unclear at this time. Ms. Lindsey explained to the Board about the different agencies involved in making this decision. The District must wait and see what the agency's decision is. Mr. Neudeck said that the District may have to go off site to seek the credits. KSN Inc. is currently finalizing some geotechnical design criteria with ENGEO and expects to have Phase 1 berm bidding documents completed by the end of the month. KSN Inc. anticipates seeking the Board of Trustees authority to award the Phase 1 berm contract at the November 2025 meeting.
KSN Inc. is finalizing the documentation for internal review to support the Delta Stewardship Council (DSC) Consistency Determination, and we expect to post in early October 2025, 95% plan set and schedule in today's engineering report. Some corrections need to be done. One is how to transition for the double ramp at the pump station and a few other things. Hopefully start construction the spring of May 2026. The Board and Mr. Neudeck had a discussion on some items. PG&E may need to remove an electrical pole; the overhead lines are of some concern.

13. **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.**
Mr. David Jullian explained to the Board that he and Mr. Jesse Barton have developed a plan for the Wetlands project. The plan formalizes the objectives and communicates and work scope with site locations of the wetland project. Mr. Ricky Carter Jr has been

coordinating maintenance work to be done. The siphon is still running. Mr. Jullian is working with Mr. Eric Almass (KSN) and DWR on the siphon repairs and use for the Wetland projects. The rice project should be going out to bid at the end of the month. Mr. Jullian will be gone November to January 2026 he will be on maternity leave. Someone will be filling in for Mr. Julian while he is gone.

14. ENGINEERING REPORT: MR. Chris NEUDECK.

I. Project Funding Agreement TW-21-1.2 TIMES /TWERP Project.
   A. Look under item number 11.

II. Project Funding Agreement TW-24-1.0-SP Phase II of District Multi-Benefit
   Look under item number 12.

III. District Pump Station Solar Array.
   A. Look under item number 9.

IV. Systemwide Multi Benefit Project Sevenmile Slough Erosion Repairs.
   A. Look under item number 10.

15. SUPERINTENDENT REPORT: MR. RICKY CARTER JR.

- Routine levee patrols are made daily.
- Routine pump maintenance (check oil level) made daily.
- Rodent control (squirrels and beavers).
- Work was done on roadways in the SMFA project. Fixed potholes and leaking ponds.
- Fixed pipe crossing at Levee Station 580+00.
- Burned the District's burn pile.
- Had Asta Construction come to fix a siphon at Levee Station 469+00.
- Mr. Ricky Carter Jr, worked on subvention reports.
- District personnel worked on cleaning up for flood fight class. Mr. Carter Jr. ordered supplies for the flood class. District held a flood fight class on September 11th. The class went well. It was a short verson of the class, DWR would like to hold another class in a few months from now and hopefully it will be more of an 8-hour class.
- Continue mowing levees.
- Mr. Danny Villegas got injured on September 9th.

The Board and Mr. Richard Silva discussed the District superintendent's District truck. President Sgarrella commented on the flood fight class that was held. He told the Board that District personnel had worked hard on cleaning and making sure it ran smoothly. Everyone was impressed with the building. Mr. Carter Jr. had Sunbelt bring generators and light towers to the flood flight class and they gave a demonstration.

16. CLOSED SESSION: PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE.

Closed Session at: 10:33 am
Opened Session at: 11:2 am
No reportable action was taken.

17. ADJOURN REGULAR MEETING.

The next regular meeting of the Board of Trustees will be called to order. October 21, 2025, at 9:00 am, the regular meeting was adjourned at 11:25 am.

____

Presiding Trustee of the Regular Meeting September 16, 2025, certifies the above minutes.

____

Secretary