

RECLAMATION DISTRICT NO. 1601
306 Second Street
Isleton, CA 95641

Minutes of the Board of Trustees
Regular Meeting

June 20, 2023

1. CALL MEETING TO ORDER.

President Barry Sgarrella called the regular meeting of the Board of Trustees (Board) to order on June 20, 2023, at 9:00 a.m. ROLL CALL: In attendance: President Barry Sgarrella and Trustee Jasbir Gill. 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., Mr. Grant Haney, Mr. Andy Giannini, Ms. Ceci Giacomia, Mr. David Julian and Mr. Richard Silva. Attending by conference call, District's Secretary Mrs. Linda Carter, Ms. Elizabeth Davis and Ms. Otome Lindsey. 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 May 16, 2023, regular meeting minutes as presented, motion was seconded by Trustee Gill VOTE: AYES: President Sgarrella and Trustee Gill 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 June 7, 2023, EFT payment to PERS for \$2,750.27, due to the timing of the due date. On June 14, 2023, deposited \$132.67 from RD 536 for June rent payment And \$1.00 from RD 341 for payment for New Holland tractor. On June 21, 2023 check 12373 for \$480 to Cobalt Fleet Maintenance (late invoice). On May 31, 2023 deposit \$155,095.86 for 2020-2021 Subvention claim payment (\$154,929) US Bank rebate payment \$166.86.

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 \$95,318.62, (invoices that were presented today) and the transfer of \$145,000, 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 Gill, VOTE: AYES: President Sgarrella and Trustee Gill NOES: None ABSTAIN: None ABSENT: Trustee Huston, motion carried.

After some discussion President Sgarrella entertained a motion to approve the transfer of \$25,810.53, from Bank of Stockton 3167 TW 21-1 TIMES, into the Bank of Stockton 1878 (General Account), motion was seconded by Trustee Gill VOTE: AYES: President Sgarrella and Trustee Gill NOES: None ABSTAIN: None ABSENT: Trustee Huston, motion carried.

Account Receivable: Cole Bakke \$1.00 Annual Grazing Lease Agreement

Account Receivable: DWR Trust \$15,840.21

Account Receivable: SWP Right of Way Management: \$6,245.10 (NOAA to pay direct)
Special Project Invoices Pending Approval: \$32,003.37

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

Mr. Ricky Carter Sr. will check with Personnel Concepts about the charges Personnel Concepts charged the District. It seem that they are over selling items to the District, items the District does not need.

5. ACCOUNTING SERVICES-BOARD TO REVIEW AND POSSIBLY APPROVE ENGAGEMENT LETTER WITH BUTTERFIELD +CO., CPAS FOR ONGOING ACCOUNTING SERVICES.

Mrs. Perla Tzintzun-Garibay told the Board that each year the District needs to have an approved engagement letter with Butterfield + Co. CPAS, for ongoing accounting services for the District. After some discussion Trustee Gill entertained a motion to approve an engagement letter with Butterfield + Co. CPAS, for 2023, motion seconded by President Sgarrella VOTE: AYES: carried. President Sgarrella and Trustee Gill NOES: None ABSTAIN: None ABSENT: Trustee Huston, motion

6. BOARD TO DISCUSS AND POSSIBLY APPROVE CHANGES TO THE DISTRICT'S PURCHASING POLICY.

Mr. Jesse Barton told the Board that the District's Purchasing Policy adopted October 21, 2003 gave the purchasing agent expenditure limit of \$1,500. Mr. Barton passed out a copy of the purchasing policy. After some discussion President Sgarrella entertained a motion to change the expenditure limit of \$1,500 to \$5,000, motion was seconded by Trustee Gill, VOTE: AYES: President Sgarrella and Trustee Gill NOES: None ABSTAIN: None ABSENT: Trustee Huston, motion carried.

7. PUBLIC EMPLOYEE WAGE REVIEW. TITLES SUPERINTENDENT AND SECRETARY. THE BOARD WILL DISCUSS ITS CURRENT EMPLOYEE WAGES AND MAY AUTHORIZE CHANGES.

Mr. Jesse Barton reminded the Board that at last month's meeting the Board asked for this item "annual review for the superintendent and secretary", to be placed on today's agenda. After some discussion President Sgarrella told the Board that the Board doesn't need to think about a raise for the superintendent since he will be retiring in a month.

After some discussion President Sgarrella entertained a motion to increase the secretary's wages 5%, goes in to effect July 1st, motion was seconded by Trustee Gill
VOTE: AYES: President Sgarrella and Trustee Gill NOES: None ABSTAIN: None
ABSENT: Trustee Huston, motion carried.

8. BOARD TO DISCUSS AND POSSIBLY APPROVE RESOLUTION 2023-08, AND ORDER LEVYING ASSESSMENT CALL 32 (FOR 2023-2024 ASSESSMENT), BASED UPON OPERATION AND MAINTENANCE VALUATION ASSESSMENT ROLL DATED JULY 21, 1992.

Mr. Chris Neudeck went over with the Board the District's 2023-2024 Draft Assessment summaries calculated for 100%, 90% and 80% of the \$700,000 approved assessment. After some discussion President Sgarrella entertained a motion to approve Resolution 2023-08 and Order Levying Assessment Call 32 (for 2023-2024) at 100% of the maximum approved assessment, based upon Operation and Maintenance Valuation Assessment Roll Dated July 21, 1992, motion seconded by President Sgarrella VOTE: AYES: President Sgarrella and Trustee Gill NOES: None ABSTAIN: None ABSENT: Trustee Huston, motion carried.

9. BOARD TO DISCUSS POSSIBLY APPROVE THE DISTRICT'S BUDGET FOR 2023-2024.

Mrs. Perla Tzintzun-Garibay went over with the Board a draft copy of the budget for 2023-2024. The budget is based on the amount of the assessment at the 100% level. The funds from the subvention claims are not included in the budget. Mr. Ricky Carter Jr. told the Board that he would like to have the Board consider purchasing a side chopper for the District. Mr. Richard Silva asked the Board if they would like to buy back the side chopper (Tiger side chopper), he had purchased from the District. The Tiger side chopper will work on the District's Kubota tractor. After some discussion Trustee Gill entertained a motion to approve the 2023-2024 budget as presented. President Sgarrella wanted to amend the motion to include changes to item PG&E expense for the District's pump station, change the amount from \$100,000 to \$120,000 due to increase in electricity cost, President Sgarrella seconded the motion with the added amendment to the motion, VOTE: AYES: President Sgarrella and Trustee Gill NOES: None ABSTAIN: None ABSENT: Trustee Huston, motion carried.

10. BOARD TO DISCUSS COWS ON THE LEVEE.

Mr. Ricky Carter Jr. told the Board that Mr. Richard Silva's cows have been on the levee and Mr. Jaime Rodriguez's sheep are getting out. Mr. Richard Silva told the Board that he has been on the island for many years and he believes it's ok for cows to be on the levee. President Sgarrella told the Board we have had this conversation many times. Mr. Silva said his fences are good. He wants the District to clean the ditch on Mr. Bakers leased property from the District. Mr. Silva said sometimes the goats have their heads stuck in the fence. Mr. Rodriguez has sheep in the wet lands and wondering around. The sheep are getting in with Mr. Cole Bakke sheep's. Mr. Jesse Barton told the Board this matter has been on the agenda several times. The Board discussed cleaning the ditches the question is who is to clean what ditches. The District cleans all of the toe ditches every year. Mr. Barton asked if the District cleans the ditch Mr. Silva

is talking about, will this stop the cows from getting out? Mr. Silva said he should not have any problems with the cows getting out. Mr. Barton summed the matter up Mr. Rick Carter Jr. and Mr. Grant Haney will clean the ditch in question, after that has been completed then Mr. Richard Silva will check his fence at that location and put up a temporary electric fence.

11. BOARD TO CONSIDER RENEWING ITS WORKER'S COMPENSATION INSURANCE.

Mr. Jesse Barton told the Board that Mrs. Perla Tzintzun-Garibay asked him to put this matter on the agenda. Mrs. Perla Tzintzun-Garibay told the Board that the District's worker's compensation expires July 1st and the District doesn't meet until July 18th, she asked the Board to authorize her to find the best deal for worker's compensation insurance for the District. After some discussion President Sgarrella entertained a motion to approve giving Mrs. Perla Tzintzun-Garibay authority to find the District the lowest amount for worker's compensation insurance, motion was seconded by Trustee Gill VOTE: AYES: President Sgarrella and Trustee Gill NOES: None ABSTAIN: None ABSENT: Trustee Huston, motion carried.

12. BOARD WILL RECEIVE AN UPDATE ON THE DISTRICT'S NPDES SPRAY PERMIT AND SPRAYING WITH A DRONE WITH LEADING EDGE.

President Sgarrella reported to the Board Leading Edge is ready to spray, the chemicals have been purchased. Now just waiting for the weather to cooperate.

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

President Sgarrella reported to the Board that he and Trustee Gill have been talking to NOAA. NOAA has agreed that they need to put a drop line in for their electrical use. They understand the peak charge. NOAA is willing to pay for all the peak charges.

14. PROJECT FUNDING AGREEMENT TW-21-1.1, 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 AN UPDATE ON RIGHT OF WAY ISSUES. THE BOARD WILL ALSO CONSIDER APPROVING A CONSULTING SERVICES AGREEMENT WITH SOLANO COUNTY RCD.

Ms. Otome Lindsey asked the Board to consider approving the Consulting Services Agreement for the Times Habitat Project, the agreement is under \$25,000. Plans are for fall spraying and aerating systems plans. There are plans for drill seeding. Stillwater will be doing the work. Ms. Lindsey had questions about the process of drill seeding and ordering plants for the coming fall. The cost will be over \$1 million. Mr. Barton will need to set something up between the District and KSN to work with Ms. Lindsey on the bid package. Mrs. Perla Tzintzun-Garibay pointed out \$4,814,872.64 is left in the projects budget. The District will need to ask for advancement for the next 6 months. After some discussion President Sgarrella entertained a motion to approve a consulting services agreement with Solano County RCD, motion was seconded by

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

Mr. Chris Neudeck reviewed with the Board the design details for levee setback along Sevenmile Slough with the District's ultimate levee standard Slough together with a twenty-foot (20') levee setback from toe for DWR's proposed mitigation area. KSN has spent time with ENGEO. After some discussion it was decided that this matter would be addressed at next month's meeting to give Ms. Lindsey time to check with others on her team. District personnel have sprayed the blackberries in the area that Ms. Lindsey requested. The blackberries need to be sprayed again.

15. DWR AGREEMENT "SUBSIDENCE MITIGATION FUNDING AGREEMENT" (SMFA) (WETLAND DEVELOPMENT/SUBSIDENCE REVERSAL AND CARBON SEQUESTRATION PROJECT) (EAST END AND RICE PROJECT) (SMFA EXPIRES 12/31/2024). THE BOARD WILL HEAR A STATUS UPDATE AND DISCUSS.

Mr. David Julian reported to the Board that they are doing maintenance work and, trimming trees. They have an issue with one of the syphons distribution valve. Tour will be coming this Thursday and next Monday, another group will be out to the island. On the upper ditch the District needs to pump extra water off. Mr. David Julian told the Board that he received the signed comment letter for the District.

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

President Sgarrella went over with the Board a copy of the June 2023, PGE invoice. The total invoice was \$9,376.00 for the month of May. President Sgarrella told the Board that he is looking into changing the District's rate to AGC, Bank of Stockton is has several of the Districts purchase agreement and financials. President Sgarrella explained how PG&E will be making increases in their rates. Then he went over the rebates the District may receive, and if the District borrows \$1 million from Bank of Stockton, once the rebates come, they will go direct towards paying back the loan from Bank of Stockton.

17. BOARD TO HEAR AN UPDATE ON THE APPLICATION AND THE SUBMITTALS TO THE DEPARTMENT OF WATER RESOURCES (DWR) FOR THE PSP PROGRAM.

Mr. Chris Neudeck went over with the Board the status of the full proposal application which is due June 23, 2023. He told the Board that the application is near completion, just need a letter from DWR (the land owner). Mr. Neudeck read from a letter from the Delta Conservatory, they gave \$22 million to Web Tract. The Delta Conservancy may give the District 10% needed for the District's project, if this is approved by the Delta Conservatory Board. As mention previous under item 15, Mr. David Julian told the Board that he received the signed comment letter for the District.

18. Engineering Report: Mr. Chris Neudeck

I. Project funding Agreement TW-21-1.0 Times Project

A. Look under item 14.

II. Delta Levee Subventions Project-Special Projects Multi-Benefit PSP

A. Look under item 17.

III. Delta Levee Subventions Program 2023 High Water Event

A. Mr. Neudeck reviewed with the Board the current hydrology conditions in the South Delta for ongoing high winter run-off into August. Mr. Neudeck told the Board that everything looks good right now. In November things will be watched closely when the rains come.

Exhibit B: Report dated June 12, 2023, from DWR Weekly Flood Operation Center & USACE of coordinated reservoir operations on the San Joaquin River.

IV. 2023-2024 Assessment by Landowner Summaries

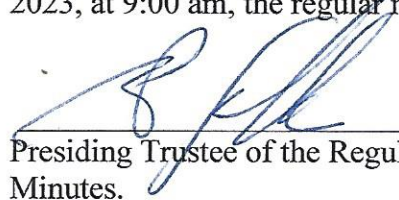
A. Look under item number 8.

19. Superintendent Report: Mr. Ricky Carter Sr.

- Routine levee patrols daily.
 - Checked pumps and oil in the pumps at pump station daily.
 - Met with Eric (Target Solutions) for chemicals for drone.
 - Ordered and received chemicals from Target Solutions.
 - Took Mr. Ricky Carter Jr. to get a physical for Fitness Test.
 - Purchased a tablet of Mr. Ricky Carter Jr. for reporting to Sacramento County.
 - Meeting with Leading Edge, checked canals and Sevenmile Slough.
 - Worked on Subventions 2022-2023.
 - Problem with DOORS reporting and closed a wrong account number.
 - Had Lira's Welding weld cracks on Long Reach boom after an inspection.
 - Received APAP/NOA and NPDES permits.
 - Called for Cobalt to change oils in the Districts Kubota tractor.
 - Set up and attended MVP safety class and Fit test (Woodland).
 - A box (Breaker Box) caught fire at the Districts pump station that services Mr. Bruce Gornto's trailer. Called fire Department to put the fire out and for PG&E to come out.
 - Patrols for high water notifications
 - On June 7, 2023, cattle on levee slope.
 - Purchased a tool cabinet.
 - On June 13, 2023, Monitor stage levee patrol 1:00am-3:30am.
 - Took Mr. Grant Haney to get a physical for Fitness Test.
 - Ordered and picked up parts from MECOM for the Districts excavator.
 - Had to cancel scheduled drone flights due to high winds.
 - Fire on Twitchell Island Road between state compound and gas well road.
 - Ordered Cal Waste to drop off and take 40 yard dumpster.
 - Debris clean up on Twitchell Island Road.
 - Sent papers to Sacramento County Agricultural commissioner, monthly reports and medical clearance.
 - Posted agenda in Isleton.
- Mr. Richard Silva told the Board that he has a guy coming out to kill coyotes. Last week they killed one coyote.

20. Adjourn Regular Meeting.

The next regular meeting of the Board of Trustees will be called to order July 18, 2023, 2023, at 9:00 am, the regular meeting was adjourned at 11:02 am.



Presiding Trustee of the Regular Meeting June 20, 2023, certifies the above Minutes.



Secretary