

April 15, 2015
Tracy, CA 95304

Pursuant to adjournment, March 11, 2015, the Board of Directors of the Banta-Carbona Irrigation District met at 9:00 a.m. at 3514 W. Lehman Road, Tracy California on the above named date.

PRESENT: Directors: James M. McLeod, Glenn Robertson, Keith Robertson, Roger Elissagaray and James M. Thoming

OTHERS PRESENT: General Manager David Weisenberger, Secretary Margaret Howe and District Counsel Jeanne Zolezzi

ABSENT: None

ITEM 1 - MINUTES & TREASURER'S REPORT

Director Keith Robertson made a motion to approve the minutes of the March 11, 2015 board meeting as amended. Director James M Thoming seconded the motion and it carried by the following vote; Ayes: Directors James McLeod, Roger Elissagaray, Keith Robertson, Glenn Robertson and James M. Thoming; Noes: None; Abstain: None; Absent: None

Secretary Howe presented the Treasurer's report and after review by the Board it was filed for audit.

ITEM 2 - MISCELLANEOUS CORRESPONDENCE

Secretary Howe reported the District received protest forms for the Proposed Water Investigation Zone No. 2 Fees from the San Joaquin County Flood Control & Water Conservation District. The existing funding for Zone 2 will end in June of this year. If a majority of the property owners file a protest form, the proposed property-related fee may not be charged unless the funding is approved at an election. Since the fees are used for water related activities, the Board decided to not file the protest forms.

ITEM 3 - MANAGER'S REPORT & DISCUSSION ITEMS.

General Manager Weisenberger reported District staff is treating the canals for pond weed and algae, and spraying for weeds.

Staff discovered a leak in a pump at pump station #7 probably caused by a bad bottom bearing seal.

ITEM 4 - DIRECTOR AND STAFF ITEMS

President McLeod inquired about the District's ability to access their stored water if the pumps at the Jones Pumping Station are shut down. General Manager Weisenberger reported the U.S. Bureau of Reclamation is working on a plan to prevent the total shut down of the pumps. The District is also working with several other districts to install pumps on the DMC to pump water back to them. He is meeting with Del Puerto Water District, Patterson Irrigation District, West Stanislaus Irrigation District and Byron-Bethany Irrigation District this afternoon to review some possibilities.

ITEM 5 - REVIEW CURRENT WATER SUPPLIES AND 2015 WATER SUPPLIES AVAILABLE TO THE DISTRICT, POTENTIAL RATIONING, AND SCHEDULING THE USE OF AVAILABLE WATER SUPPLIES. ACTION AS NECESSARY.

General Manager Weisenberger reported the U.S. Bureau of Reclamation announced a zero percent allocation to agricultural water service contractors South-of-Delta. The District still has 24,340 acre feet of water to carry over into 2015. The District has pumped an additional 7,000 af of water into storage this year, but General Manager Weisenberger recommends not using that water this season.

Staff expects to be curtailed from pumping on San Joaquin River no later than June 1st and expects to initiate a rationing policy at that time or when the District is curtailed. The following notice will be sent to growers inside the District.

Water Rationing Policy for 2015 Irrigation Season April 15, 2015

The Board of Directors of the Banta-Carbona Irrigation District (BCID) continues to review available water supplies. It appears imminent that the State Water Resources Control Board (SWRCB) will issue curtailment orders to pre-1914 water rights holders by the first of June 2015. This means that the Banta-Carbona Irrigation District will be required to shut off its pumps on the San Joaquin River when the SWRCB directs it to curtail its diversion.

The San Joaquin River flows at Vernalis, just upstream of the Banta-Carbona Irrigation District diversion point, will be experiencing flows of about 200-300 cfs this summer.

In addition, the BCID received a zero allocation for the 2014-15 and the 2015-16 Water Years from the Central Valley Project (CVP) as did all other south of delta CVP ag water contractors. After the BCID pumps are shut down on the San Joaquin River the BCID will rely totally on water conserved and stored by the BCID during the 2013 and 2014 irrigation seasons, as well as some groundwater that BCID pumped into storage in the CVP facilities. BCID's ability to recover water stored in the DMC is subject to the discretion of the Bureau of Reclamation. This is a limited supply and when it is gone BCID will no longer have any water available to deliver in the 2015-16 Water Year.

In an effort to equitably distribute this limited supply of water, the BCID will allocate water on a per acre basis to all land that was farmed in 2014 or currently being farmed in 2015. The allocation will begin when the pumps are turned off on the San Joaquin River. **It is anticipated that this allocation will not be greater than 1.5 acre feet per acre.**

1. Growers may leave ground fallow and the acreage for that ground transferred to other fields.
2. Double cropping has been discouraged by the SWRCB.
3. One crop may be abandoned during the season so that the water supply may be transferred to another crop. Example: If a field of alfalfa has been irrigated and a farmer decides to abandon the alfalfa to transfer his entitlement to a field of tomatoes, he may do so.
4. All requests for transfer of water allocation must be submitted in writing to the BCID office **in advance** of irrigation.
5. Water quality cannot be guaranteed in any canal.
6. Irrigation water may not be available late this fall, during the winter early spring months of 2016, **depending on the actions of the SWRCB** and San Joaquin River flows. Once the San Joaquin River pumps are turned off **only the SWRCB or the courts can authorize BCID to resume pumping**. The SWRCB has stated that they will not allow pumps to turn back on until they deem hydrology is sufficient to supply water to diverters. We do not know what criteria they will use to determine that threshold.

THE DISTRICT RESERVES THE RIGHT TO REVIEW AVAILABLE WATER SUPPLIES AT ANY TIME AND MAKE ANY REQUIRED CHANGES TO WATER ALLOCATIONS BASED ON AVAILABLE WATER.

THE DISTRICT IS NOT LIABLE FOR INADEQUATE WATER SUPPLIES OR THE QUALITY OF THE WATER.

**ITEM 6 – REVIEW INSIDE DISTRICT WATER RATES FOR THE 2015 WATER YEAR.
ACTION AS NECESSARY.**

As a matter of due diligence the Board of Directors reviews water rates from time to time. The last raise in rates occurred on March 1, 2014. Staff reported the District's cost of service rate over the last 5 years has been an average of \$90.46, including CVP water costs. At the current water rate of \$50.00, the District is subsidizing costs by \$40.46 per acre foot of water sold. This has been possible as a result of water transfers to other districts when water supplies have been surplus to BCID's own irrigation needs. Cost to operate the district has been increasing particularly in the area of aquatic weed control, replacement of aging infrastructure, and the purchase of supplemental water supplies for the on-going drought. The Board discussed the issues and determined that a rate increase was necessary. Director Keith Robertson made a motion to raise the inside the District water rate to \$100 per acre feet effective May 1, 2015. Director James M. Thoming seconded the motion and it carried by the following vote; Ayes: Directors James McLeod, James Thoming, Roger Elissagaray, and Keith Robertson; Noes: None;

Abstain: Glenn Robertson

ITEM 7 – REVIEW OUTSIDE DISTRICT WATER RATES FOR THE 2015 WATER YEAR. ACTION AS NECESSARY.

The Board discussed the issues and determined that a rate increase for outside district service was also necessary. Director Keith Robertson made a motion to raise the outside District water rate to \$200 per acre foot and water rate for grounds formerly within District boundaries will be \$114 per acre foot (inside district rate plus standby charge) effective May 1, 2015. Director James M. Thoming seconded the motion and it carried by the following vote; Ayes: Directors James McLeod, James Thoming, Roger Elissagaray, and Keith Robertson; Noes: None; Abstain: Glenn Robertson

ITEM 8 – REVIEW DISTRICT WATER WHEELING POLICY FOR THE 2015 WATER YEAR. ACTION AS NECESSARY.

The Board reviewed the 2014 wheeling policies for Inside District, Outside District and Kasson District and determined no changes were necessary. Director Keith Robertson made a motion to approve the following wheeling policies for the 2015 water season. Director James M. Thoming seconded the motion and it carried by the following vote; Ayes: Directors James McLeod, James Thoming, Roger Elissagaray, Keith Robertson and Glenn Robertson; Noes: None; Abstain: None

INSIDE THE DISTRICT GROUNDWATER WHEELING FOR 2015

Groundwater wheeling will be pursuant to written approval by BCID and subject to the following:

- a. All wells must have facilities capable of placing the water into existing District conveyance facilities.
- b. All well owners and recipients of wheeled well water must sign a copy of these guidelines and rules.
- c. Groundwater well must have a meter installed that records in acre feet.
- d. All wells must provide the BCID with a starting well water quality test acceptable to BCID.
- e. All wells must provide a water depth measurement before pumping water into BCID facilities.
- f. Upon approval, well water may be wheeled from either inside the district wells or outside the district wells.
- g. The approval is subject to continued well water quality acceptable to BCID and available capacity in the district's facilities.
- h. Any recipient shall not receive more water in cubic feet per second, real-time, than is being pumped into the District by the approved groundwater well. Any surplus water being produced by the well during this wheeling time shall belong to the District at no cost.
- i. The District will not bank water for future use for the well owner or the recipient of the well water.
- j. Recipient shall be charged \$33 per acre foot delivered.
- k. Groundwater Wheeling will only be allowed during times of water shortage.

The Board of Directors of the Banta-Carbona Irrigation District reserves the right to amend or terminate this policy at any time.

KASSON GROUNDWATER WHEELING FOR 2015

Groundwater wheeling will be pursuant to written approval by BCID and subject to the following:

- a. All wells must have facilities capable of placing the water into existing District conveyance facilities.
- b. All well owners and recipients of wheeled well water must sign a copy of these guidelines and rules.
- c. Groundwater well must have a meter installed that records in acre feet.
- d. All wells must provide the BCID with a starting well water quality test acceptable to BCID.
- e. All wells must provide a water depth measurement before pumping water into BCID facilities.
- f. Upon approval, well water may be wheeled from either inside the district wells or outside the district wells.
- g. The approval is subject to continued well water quality acceptable to BCID and available capacity in the district's facilities.
- h. Any recipient shall not receive more water in cubic feet per second, real-time, than is being pumped into the District by the approved groundwater well. Any surplus water being produced by the well during this wheeling time shall belong to the District at no cost.
- i. The District will not bank water for future use for the well owner or the recipient of the well water.
- j. Recipient shall be charged \$33 per acre foot delivered.
- k. Wheeled water shall be counted against recipients' annual allocation.
- l. Groundwater Wheeling will be only allowed during time of water shortage.

The Board of Directors of the Banta-Carbona Irrigation District reserves the right to amend or terminate this policy at any time.

OUTSIDE THE DISTRICT GROUNDWATER WHEELING FOR 2015

Groundwater wheeling will be pursuant to written approval by BCID and subject to the following:

- a. All wells must have facilities capable of placing the water into existing District conveyance facilities.
- b. All well owners and recipients of wheeled well water must sign a copy of these guidelines and rules.
- c. Groundwater well must have a meter installed that records in acre feet.
- d. All wells must provide the BCID with a starting well water quality test acceptable to BCID.
- e. All wells must provide a water depth measurement before pumping water into BCID facilities.
- f. Upon approval, well water may be wheeled from either inside the district wells or outside the district wells.
- g. The approval is subject to continued well water quality acceptable to BCID and available capacity in the district's facilities.
- h. Any outside the district recipient shall not receive more water in cubic feet per second, real-time, than is being pumped into the District by the approved groundwater well. Any surplus water being produced by the well during this wheeling time shall belong to the District at no cost.
- i. The District will not bank water for future use for the well owner or the recipient of the well water.
- j. The charge for the wheeling service shall be the existing toll rate for delivery of water to the turnout. (currently \$200 per af)

The Board of Directors of the Banta-Carbona Irrigation District reserves the right to amend or terminate this policy at any time.

ITEM 9 – UPDATE ON STATE WATER RESOURCES CONTROL BOARD (SWRCB) PROCEEDINGS REGARDING CURTAILMENT DIRECTIVES AND ORDERS TO WATER RIGHTS HOLDERS ON THE SAN JOAQUIN RIVER AND THE SACRAMENTO RIVER BASINS. ACTION AS NECESSARY.

District staff and counsel continue to monitor State Water Resources Control Board (SWRCB) activities and meeting related to water rights and the drought. District Counsel reported she feels that the District will receive a curtailment notice in May and be curtailed no later than June 1st. A letter was sent to Tom Howard, Executive Officer of the SWRCB, in early April requesting the SWRCB delay curtailing pre-1914 or riparian water right holders in the San Joaquin River Basin until it receives a complaint from a valid senior water right holder. But curtailment is still likely.

ITEM 10 – CLOSED SESSION:

CONFERENCE WITH LEGAL COUNSEL - REAL PROPERTY NEGOTIATIONS

- | | |
|--------------------|---------------------------------------|
| A) Property: | District's Pre-1914 Water Rights |
| Agency Negotiator: | David Weisenberger and Jeanne Zolezzi |
| Negotiating Party: | State Water Resources Control Board |
| Under negotiation: | Water Rights |
| | |
| B) Property: | District's Pre-1914 Water Rights |
| Agency Negotiator: | David Weisenberger and Jeanne Zolezzi |
| Negotiating Party: | United States Bureau of Reclamation |
| Under negotiation: | Transfer or Exchange of Stored Water |

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9 (1 potential cases)

ITEM 11 – REQUEST BY PEREZ FARMS FOR DISTRICT TO ENTER INTO A LETTER AGREEMENT WITH INTENTION TO NEGOTIATE FOR WHEELING SERVICES BY THE BCID FOR THE PEREZ FARMS. ACTION AS NECESSARY.

General Manager Weisenberger reported he sent a letter to Perez Farms explaining the information required by the District before making a decision on negotiating for wheeling services. He has not had a response from Perez Farms yet.

ITEM 12– UPDATE ON 2015 WARREN ACT CONTRACT 15-WC-20-4659 WITH THE UNITED STATES BUREAU OF RECLAMATION. ACTION AS NECESSARY

General Manager Weisenberger reported he expects to receive the final language for the 2015 Warren Act Contract today and the new contract should be available this week.

ITEM 13 – CONSIDER FUTURE OPPORTUNITIES FOR WHEELING WATER FROM SAN JOAQUIN RIVER TO THE DELTA-MENDOTA CANAL (DMC) AND POSSIBLE WWD/SLWD FUNDING. ACTION AS NECESSARY

General Manager Weisenberger reported he had no new information on future opportunities for wheeling water.

ITEM 14 – REPORT ON VIABILITY OF BUILDING SPUR DIKES IN THE SAN JOAQUIN RIVER AT THE BCID DIVERSION POINT TO PROTECT THE FISH BYPASS DISCHARGE OUTFALL AND TO MINIMIZE ANNUAL DREDGING MAINTENANCE IN THE RIVER. ACTION AS NECESSARY.

General Manager Weisenberger reported that he had no new information on the spur dikes.

ITEM 15 - APPROVAL OF WARRANTS.

Director Keith Robertson moved that the April 2015 Warrants in the amount of \$873,564.45 be approved for payment. Director Glenn Robertson seconded the motion and it carried by the following vote; Ayes: Directors James McLeod, Roger Elissagaray, Keith Robertson, James M. Thoming and Glenn Robertson; Noes: None; Abstain: None; Absent: None

The meeting was then adjourned to Wednesday, May 13, 2015 at 9:00 a.m.

Respectfully,

Margaret G. Howe
Secretary