

January 12, 2018  
Tracy, CA 95304

Pursuant to adjournment, December 13, 2017, 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, Keith Robertson, Glenn Robertson, James M. Thoming and Annette Elissagaray

OTHERS PRESENT: General Manager David Weisenberger, Secretary Margaret Howe and District Counsel Karna Harrigfeld

ABSENT: None

#### ITEM 1 - MINUTES & TREASURER'S REPORT

Director Glenn Robertson made a motion to approve the minutes of the December 13, 2017 as presented. Director Annette Elissagaray seconded the motion and it carried by the following vote; Ayes: Directors James McLeod, Keith Robertson, Glenn Robertson, Annette Elissagaray and James M. Thoming; Noes: None; Abstain: None; Absent: None

#### ITEM 2 - MISCELLANEOUS CORRESPONDENCE

Staff presented a copy of a letter received from the San Joaquin County Auditor-Controller regarding a section of the 2016-17 San Joaquin County Civil Grand Jury report titled "Who is Watching the Cookie Jar". Also included is the Auditor-Controller's response to the report and the counties best practices information.

The District also received a thank you card from Betty Hollars, who attended the ACWA Fall Conference as a guest of Director Annette Elissagaray. Ms. Hollars wished to thank the District for including her in the conference and their hospitality,

#### ITEM 3 - MANAGER'S REPORT & DISCUSSION ITEMS.

##### **MANAGER'S REPORT**

**January 12, 2018**

Vernalis flow +/- 2,000 cfs. Diverting +/- 70 cfs including wheeling 53 cfs

**Maintenance** – Maintenance activities this month include repairing pipeline leaks and repairing or replacing turnout gates. The #1-60 cfs pump in PP #3 has been removed and taken to Geiger Manufacturing in Stockton for re-building. The shaft and bearings were worn out as well as the impeller had extreme wear. They should be able to build back up the impeller edges. Since the last board meeting the upper oil seal on the #6-40 cfs pump in PP #1 failed. It was spraying oil all over the windings. It has been removed and has been taken to Stanley Electric in Stockton for testing and repairs. The motor rewind and testing is \$51,305. This motor has been repaired and is ready for delivery.

**Operations** – Water service resumed December 6, 2017 due to the extremely dry weather and the forecast showing dry for several more weeks in December.

**FRIANT SJRRP Restoration Flows and Wheeling** – A procedure was agreed to and a document is being prepared for distribution to all parties to follow for protocol on wheeling rates and approvals. BCID is currently wheeling about 53 cfs in January with an anticipated total of over 3,200 af to be wheeled in January. There is supposed to be water available to wheel in February as well.

**Sustainable Groundwater Management Act (SGMA)** –The next milestone due is a Groundwater Sustainability Plan (GSA) for our GSA as well as for the Tracy Sub-basin which is due by January 31, 2022.

**Replacement Pumping Plant 5 Low Head Lift** – We have been tracking down price estimates for using our old PP #7 pumps and motors and associated electrical gear to replace old PP #5. We received a proposal from Arnaudo Construction that is \$369,000 whereas the Syblon Reid proposal was over \$800,000 just to install the pipeline, check valves, pumps and motors, which did not include any of the electrical work. Dick Hearsh is finalizing drawings and specs for the electrical and SCADA for Bockmon and Woody to bid on. Bockmon and Woody turned in a bid of \$478,000 yesterday. This is \$100,000 - \$200,000 over our pre-bid estimate.

#### ITEM 4 - DIRECTOR AND STAFF ITEMS

Secretary Howe reported the U.S. Bureau of Reclamation would be holding training on RRA forms in Los Banos on February 21<sup>st</sup> and 22<sup>nd</sup>. She has signed up both herself and Shelby Woodward to attend.

Secretary Howe also reported Fechter & Co. will be starting the District's annual audit on February 5<sup>th</sup>.

Those attending the ACWA Fall Conference were Directors James McLeod, Keith Robertson, Glenn Robertson, James M. Thoming, Annette Elissagaray and staff General Manager David Weisenberger and Secretary Margaret Howe. They attended seminars on the California WaterFix, Climate Change, SGMA Infrastructure, Conservation and Groundwater Replenishment. They were also able to view a screening of a special documentary film "Beyond the Brink" on the sustainability of water, food and natural resources in the future.

#### ITEM 5 - ELECTION OF DISTRICT OFFICERS. ACTION AS NECESSARY.

It was moved by Director James M Thoming and seconded Director Glenn Robertson to keep the same slate of officers. Retained was Director James McLeod, President of the Board: Director Keith Robertson, Vice President of the Board: David Weisenberger, General Manager: and Margaret G. Howe, Secretary-Treasurer, Assessor-Collector. The motion carried by the following vote; Ayes: Directors James McLeod, Annette Elissagaray, Keith Robertson, Glenn Robertson and James M. Thoming; Noes: None; Abstain: None; Absent: None

#### ITEM 6 - REVIEW CURRENT WATER SUPPLIES AND 2017 WATER SUPPLIES AVAILABLE TO THE DISTRICT, TRANSFER AND SCHEDULING THE USE OF AVAILABLE WATER SUPPLIES. ACTION AS NECESSARY

General Manager Weisenberger reported the District completed a CVP water transfer with Kern-Tulare Water District of 4,000 acre feet in January. This leaves the District 15,998 acre feet of 2016/2017 CVP water. The Bureau of Reclamation has announced a total of 150,000 acre feet of 2016/2017 CVP water will be available for rescheduling into the 2017/2018 water year. Banta-Carbona's share will be 1,659 acre feet.

#### ITEM 7 – REVIEW DRAFT CASH RESERVE POLICY FOR THE DISTRICT. ACTION AS NECESSARY.

The Board of Directors reviewed the draft cash reserve policy presented by Staff and Director James M. Thoming made a motion to approve the Banta-Carbona Irrigation District's Reserve Policy. Director Keith Robertson seconded the motion and it carried by the following vote; Ayes: Directors James McLeod, Annette Elissagaray, Keith Robertson, Glenn Robertson and James M. Thoming; Noes: None; Abstain: None; Absent: None

### **RESOLUTION NO. 2018-01 BANTA-CARBONA IRRIGATION DISTRICT'S RESERVE POLICY**

WHEREAS, the Board of Directors recognizes the need to ensure that the District will have sufficient funding available to meet its operating, emergency capital, and debt service obligations.

WHEREAS, the Board of Directors recognizes the need for sound financial policies as stewards of our customers' funds; and

WHEREAS, the Board of Directors recognizes the need for funds to be held in reserve for unanticipated and unforeseeable expenses; and

WHEREAS, the Board of Directors recognizes the need to avoid significant water rate fluctuations; and

WHEREAS, the Board of Directors recognizes a need for long term strategic financial policies; and

WHEREAS, the District's facilities were originally constructed in 1925 and are now over 90 years old; and

WHEREAS, these facilities include electrical gear, pumps, motors, pipelines, pumphouses, electrical sub-stations and distribution, canals, and a fishscreen facility; and

WHEREAS, it is in the landowner's best interest to maintain and replace these facilities to provide a reliable water supply during the irrigation season; and

WHEREAS, these facilities can provide supplemental income to the District by providing reliable long term wheeling of water for third parties; and

WHEREAS, this supplemental income provides rate stabilization for growers and landowners within the District; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Banta-Carbona Irrigation District (BCID) hereby approves and adopts the Reserve Policy dated January 12, 2018, said Reserve Policy is attached as "Exhibit A" and hereby establishes Reserves as follows:

**1. Designated Reserves:** Designated reserves are reserves that are established and set aside to be used only for a specific, designated purpose (classified as unrestricted on the audited financial statements).

**2. Restricted Reserves:** Restricted reserves are reserves that are restricted by an outside source, such as by statute, court, or contract (classified as restricted on the audited financial statements).

**3. Unrestricted/Undesignated Reserves:** Unrestricted reserves represent a remainder balance of cash that is not yet designated for some use by the Board of Directors. Board reserves are set to accomplish systematic and strategic goals or provide for prudent management of operations. The Board of Directors has complete discretion in the management and designation of self adopted reserves. Such reserves can be modified, transferred, or altered by Board action.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Banta-Carbona Irrigation District as follows: Each fiscal year budget will report on the status of the reserve funds over the previous year and budget for proposed sources and uses for each reserve.

PASSED AND ADOPTED by the Board of Directors of the Banta-Carbona Irrigation District at a regular meeting held on this 12<sup>th</sup> day of January, 2018 by the following vote:

Ayes: Directors James McLeod, Keith Robertson, Glenn Robertson, James M. Thoming and Annette Elissagaray  
 Noes: None  
 Absent: None  
 Abstain: None

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James M. McLeod  
 President, Board of Directors

ATTEST:

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Margaret G. Howe  
 Secretary, Board of Directors

The Board of Directors would like to review the amount designated to each reserve fund at the February board meeting.

**ITEM 8 – REVIEW AND CONSIDER FOR APPROVAL THE BCID BUDGET FOR 2018.  
 ACTION AS NECESSARY**

Staff presented a revised budget for 2018 for review by the Board. After reviewing the budget, Director Keith Robertson made a motion to approve the Banta-Carbona Irrigation District Budget for 2018 as submitted. Director James M. Thoming seconded the motion and it carried by the following vote; Ayes: Directors James McLeod, Keith Robertson, Glenn Robertson, Annette Elissagaray and James M. Thoming; Noes: None; Abstain: None; Absent: None

**ITEM 9 - REVIEW LOW HEAD PUMP INSTALLATION PROJECT AT PP #5 ON LIFT  
 CANAL SYSTEM. ACTION AS NECESSARY.**

General Manager Weisenberger reported the District received a bid from Bockman & Woody for the electrical work on the Low Head Pump installation of \$478,000. After discussing the bid, Director Glenn Robertson made a motion to reject the bid and Director Keith Robertson seconded the motion. The motion carried by the following vote; Ayes: Directors James McLeod, Annette Elissagaray, Keith Robertson, Glenn Robertson and James M. Thoming; Noes: None; Abstain: None; Absent: None

District staff is working on SCADA for the project with Wave Engineering.

**ITEM 10 – CONSIDER REPLACING CONCRETE PIPELINE AND ACCEPTING BID PROPOSAL FROM IDC FOR PURCHASE AND INSTALLATION OF 1200 FEET OF 24 INCH PVC ON LATERAL B ON 4 WEST CANAL. ACTION AS NECESSARY.**

The District received a bid proposal from IDC for the purchase and installation of 1200 feet of 24 inch PVC on Lateral B on 4 West Canal of \$43,252.23. After some discussion, Director James M. Thoming made a motion to accept the bid and Director Annette Elissagaray seconded the motion. The motion carried by the following vote; Ayes: Directors James McLeod, Annette Elissagaray, Keith Robertson, Glenn Robertson and James M. Thoming; Noes: None; Abstain: None; Absent: None

**ITEM 11 – CONSIDER CHANGING FROM ODD YEAR ELECTIONS TO EVEN YEAR ELECTIONS. ACTION AS NECESSARY.**

Secretary Howe reported the District received notification from the San Joaquin County Registrar of Voters regarding Senate Bill 415. SB 415 went into effect on January 1, 2018 and requires districts to meet a threshold of voter participation in order to continue holding odd year elections without penalty. If the District changes to an even year election, all of the Directors terms would be extended one year. The Board discussed the issue, continued the item to the February meeting.

**ITEM 12 – CONSIDER FOR APPROVAL EXTENSION OF MOA WITH BUREAU OF RECLAMATION FOR WHEELING SJRRP RESTORATION FLOWS. ACTION AS NECESSARY.**

Staff presented a draft copy of the extension MOA from the Bureau of Reclamation for wheeling SJRRP restoration flows for review by the board. The MOA would extend the current agreements through January 31, 2019. The District would also need to file a "Notice of Exemption" with San Joaquin County. Director Glenn Robertson made a motion to approve the extension of the MOA with the Bureau of Reclamation for wheeling SJRRP restoration flows and approve General Manager Weisenberger to execute the required documents. Director Keith Robertson seconded the motion and the motion carried by the following vote; Ayes: Directors James McLeod, Annette Elissagaray, Keith Robertson, Glenn Robertson and James M. Thoming; Noes: None; Abstain: None; Absent: None

**ITEM 13 – CONSIDER FOR APPROVAL EXTENSION OF FRIANT WATER AUTHORITY WHEELING AGREEMENT FOR SAN JOAQUIN RIVER RESTORATION PROGRAM RESTORATION FLOWS. ACTION AS NECESSARY.**

Staff presented the "Extension of Temporary Agreement for Conveyance of Water (San Joaquin River Restoration Flows)" with the Friant Water Authority for review by the board. The agreement would extend the term of the agreement to be the same as the term of the MOA with the Bureau of Reclamation. Director Glenn Robertson made a motion to approve the "Extension of Temporary Agreement for Conveyance of Water" with the Friant Water Authority for wheeling SJRRP restoration flows and approve General Manager Weisenberger to execute the required documents. Director Keith Robertson seconded the motion and the motion carried by the following vote; Ayes: Directors James McLeod, Annette Elissagaray, Keith Robertson, Glenn Robertson and James M. Thoming; Noes: None; Abstain: None; Absent: None

**ITEM 14- CLOSED SESSION:**

- 1) CONFERENCE WITH LEGAL COUNSEL on EXISTING LITIGATION PURSUANT to Subdivision (a) of Section 54956.9 of the Government Code
  - A. Banta-Carbona Irrigation District v. California State Water Resources Control Board, et al, Case No. 2015-1-CV-285182 in Santa Clara County Superior Court, Dept 1. This case originated in San Joaquin County as Case No. 39-2015- 00326421-CU-WM-STK
  - B. Natural Resources Defense Council v. Sally Jewell, U.S., Department of the Interior Case No. 1:05-cv-01207 LJO-GSA
- 2) CONFERENCE WITH REAL PROPERTY NEGOTIATIONS
  - A. Property: Water Transfer  
Agency negotiator: District Counsel Jeanne Zolezzi  
Negotiating parties: Modesto Irrigation District  
Under Negotiation: Quantity, price, period of transfer

Returned to open session with no announcement.

**ITEM 15 - APPROVAL OF WARRANTS**

Director Keith Robertson moved that the January 2018 Warrants in the amount of \$245,290.98 be approved for payment. Director James M. Thoming seconded the motion and it carried by the following vote; Ayes: Directors James McLeod, Annette Elissagaray, Keith Robertson, Glenn Robertson and James M. Thoming; Noes: None; Abstain: None; Absent: None

The meeting was then adjourned to Friday, February 14, 2018 at 9:00 a.m.

Respectfully,

Margaret G. Howe