

May 16, 2017
Tracy, CA 95304

Pursuant to adjournment, April 12, 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, Glenn Robertson, James M. Thoming and Annette Elissagaray

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

ABSENT: Keith Robertson

ITEM 1 - MINUTES & TREASURER'S REPORT

Director James M. Thoming made a motion to approve the minutes of the April 12, 2017 as presented. Director Annette Elissagaray seconded the motion and it carried by the following vote; Ayes: Directors James McLeod, Glenn Robertson, Annette Elissagaray and James M. Thoming; Noes: None; Abstain: None; Absent: Keith Robertson

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

ITEM 2 – REVIEW FINANCIAL AUDIT FOR 2016. ACTION AS NECESSARY.

Sandy Sup, CPA, representing Fechter & Company, presented to the Board the audit they conducted for the District for fiscal year 2016. She reported that they made a finding that an "Unqualified Opinion" was appropriate for the audit. She reviewed the audit with the Board of Directors. After reviewing the audit, Director Glenn Robertson made a motion to accept the audit as presented for filing. Director Annette Elissagaray seconded the motion and it carried by the following vote; Ayes: Directors James McLeod, Annette Elissagaray, Glenn Robertson and James M Thoming; Noes: None; Abstain: None; Absent: Keith Robertson.

ITEM 3 - MISCELLANEOUS CORRESPONDENCE

Secretary Howe reported the District received a letter from Jack Rose, an outside district water user, thanking the District for supplying him with water over the last several years. He also expressed interest in being annexed into the District in the future.

President James McLeod reported he received an invitation to a campaign fundraiser for Bob Elliot for State Senator to be held on June 10, 2017. He would provide additional information to anyone interested in attending.

ITEM 4 - MANAGER'S REPORT & DISCUSSION ITEMS.

MANAGER'S REPORT

May 16, 2017

Vernalis flow 20,600 cfs. Diverting 100 cfs plus Wheeling 0 cfs

Irrigation Season – Irrigation deliveries began on March 15, 2017. Deliveries ceased at about March 24 due to heavy rains. Deliveries resumed on Monday April 3, 2017. The San Joaquin River is just below monitor stage, 24.50 feet mean sea level (msl), running at about 24.4 feet msl.

Maintenance – Weed control continues using herbicides and by discing. Aquatic weeds have also been treated. Algae is being treated with copper products. Pondweed is being treated with Teton. We experimented with the Teton by treating at a low lift system flow rate between 10-20 cfs. It totally wiped out everything in the lift canal but we didn't get much treatment in the canal laterals and almost no distance traveled in the laterals at these low flow rates.

FRIANT SJRRP Restoration Flows and Wheeling – Nothing to report in regards to wheeling. There is a NEPA document that was circulated for long term wheeling of restoration flows. BCID commented on the fact that exchanges will not work with BCID. We also cleaned up some descriptions regarding existing facilities and potential future facilities. There hasn't been any proposals to wheel water in the short term, 2017. There are two related items on today's meeting agenda related to the restoration flows, a Memorandum of Understanding and an Access Permit document.

Sustainable Groundwater Management Act (SGMA) – The mapping is complete for our GSA. The county completed the mapping deleting overlapping boundaries between the BCID GSA and our neighbors. The next step is to submit the mapping to DWR. BCID can do this on their own or the county may submit an entire package for the Tracy Sub-basin. The county isn't moving on it now because the City of Tracy and Byron-Bethany Irrigation District have not settled

some boundary over-laps. Thus I asked the county to provide us our map separately so that the other group does not hold us up. The action item required this year is to eliminate over lapping boundaries of the various proposed GSA's so that the GSA's can be recognized as established by DWR. The County of San Joaquin County Public Works department has done the map cleanup for us. These boundary revisions need to be settled with DWR by June 30, 2017.

State Water Resources Control Board (SWRCB) Phase 1 Proceedings – The SWRCB released the Substitute Environmental Document (SED) September 15, 2016. The Phase 1 proceedings are to develop new flow requirements on the San Joaquin River and salinity standards in the south delta. The SED is recommending a 40% of natural flow requirement for the spring months on the San Joaquin River and everyone on the San Joaquin River and its tributaries will be expected to donate water. The public comment period has closed now.

SWRCB - We continue to monitor State Water Resources Control Board (SWRCB) activities and meetings related to water rights and the drought.

Accident – March 20, 2017 – A car ran off of Kasson Road on March 20 and ran into the District's steel vent pipe and turnout box for the 1 North canal that is located next to BCID's Pumping Plant #1. District personnel had to dig up and inspect the vent pipe and pipeline. There was about one square foot of pipe lining that had to be replaced inside the pipe but otherwise the vent pipe was sound. The pipeline did suffer a small indentation at the location of the vent pipe. The District is filing a claim with the car owner's insurance company, Viking, for the inspection and repair work. ACWA Joint Powers Insurance Authority is working with us to put the claim together.

Respectfully submitted by:

David Weisenberger

General Manager

ITEM 5 - DIRECTOR AND STAFF ITEMS

Secretary Howe reported she attended the required training for her notary public license on April 25, 2017 and testing was held on the same day. She passed her test and will be licensed for another 4 years.

The ACWA Spring Conference in Monterey was attended by Directors James McLeod, James M. Thoming, Annette Elissagaray, General Manager Weisenberger and Secretary Howe. They attended sessions on the fundamentals of groundwater rights, what farmers would like for the public to know about farming, water storage and ethics training.

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

The U.S. Bureau of Reclamation announced on April 11 a 2017 CVP allocation of 100% (20,000 acre feet) for the South-of-Delta Contractors. Due to spillage at the San Luis Reservoir the District carryover water supplies are spilling. It is expected there will be sufficient water in the San Joaquin River this season to supply the Districts' needs.

General Manager Weisenberger reported he talked to Erick Johnson of the Water Agency. Mr. Johnson feels that the current rate for water transfers is about cost plus \$5.00.

ITEM 7 – REVIEW AND ESTABLISH COST OF SERVICE RATE FOR 2017. ACTION AS NECESSARY.

The Board reviewed the "Cost of Service Rate for 2017" and determined that it needed to be adjusted. They requested staff make the necessary adjustments and bring the report back to the Board at the June board meeting

ITEM 8 – SALE OF DISTRICT PROPERTY NO LONGER REQUIRED, TWO PICKUPS, 2010 FORD F-150 LONG BED, ID #1FTMF1CW2AKE8608 AND A 2012 FORD F-150 LONG BED, ID # 1FTNF1CF4CKD61959. ACTION AS NECESSARY.

General Manager Weisenberger reported that the District had taken delivery of 2 new Ford F-150 pickups in March and no longer needed the above vehicles. Director Glenn Robertson made a motion to sell the above vehicles, Annette Robertson seconded the motion and it passed by the following vote; Ayes: Directors James McLeod, Annette Elissagaray, Glenn Robertson and James M. Thoming; Noes: None; Abstain: None; Absent: Director Keith Robertson

RESOLUTION NO. 2017- 05**RESOLUTION OF May 16, 2017 AUTHORIZING THE SALE OF CERTAIN EQUIPMENT AS PROPERTY NO LONGER NECESSARY FOR DISTRICT PURPOSES**

WHEREAS, the District may sell for a valuable consideration any property of the District which it finds to be no longer necessary for District purposes, and

WHEREAS, the Board of Directors of the Banta-Carbona Irrigation District finds that its 2010 Ford F-150 Long bed pickup, ID#1FTMF1CW2AKE8608 is no longer necessary for District purposes and that it is in the best interests of the District to sell said property; and

WHEREAS, the District finds that no less than \$6,000 for the 2010 Ford F-150 Long bed pickup, ID#1FTMF1CW2AKE8608, is a valuable consideration for said property

WHEREAS, the Board of Directors of the Banta-Carbona Irrigation District finds that its 2012 Ford F-150 Long bed pickup, ID# 1FTNF1CF4CKD61959, is no longer necessary for District purposes and that it is in the best interests of the District to sell said property; and

WHEREAS, the District finds that no less than \$8,000 for the 2012 Ford F-150 Long bed pickup, ID# 1FTNF1CF4CKD61959, is a valuable consideration for said property;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the President and Secretary of the District are authorized to display said property for sale and directed to sell said property to whoever presents a cash offer, provided that said offer is equal to or greater than the amounts listed above.

BE IT FURTHER RESOLVED AND ORDERED that the President and Secretary are authorized and directed to take all necessary steps and execute all documents necessary to transfer title to said property.

PASSED AND ADOPTED this 16th day of May, 2017 by the following roll call vote:

AYES: James McLeod, Glenn Robertson, James M. Thoming and Annette Elissagaray

NOES: None

ABSTAIN: None

ABSENT: Keith Robertson

ITEM 9 – REVIEW AND CONSIDER FOR APPROVAL MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE UNITED STATES OF AMERICA DEPARTMENT OF INTERIOR, BUREAU OF RECLAMATION AND THE BANTA-CARBONA IRRIGATION DISTRICT FOR COOPERATIVE DEVELOPMENT OF THE SAN JOAQUIN RIVER RESTORATION PROGRAM LONG-TERM RECAPTURE AND RECIRCULATION OF RESTORATION FLOWS ENVIRONMENTAL IMPACT STATEMENT/ENVIRONMENTAL IMPACT REPORT. ACTION AS NECESSARY.

After reviewing the MOU, Director James M. Thoming made a motion to designate General Manager David Weisenberger and the District's representative and District Counsel Jeanne Zolezzi and the District's alternate representative; he also authorized General Manager Weisenberger to execute the MOU. Director Annette Elissagaray seconded the motion and it passed by the following vote; Ayes: Directors James McLeod, Annette Elissagaray, Glenn Robertson and James M. Thoming; Noes: None; Abstain: None; Absent: Director Keith Robertson

ITEM 10 – REVIEW AND CONSIDER FOR APPROVAL A REQUEST FOR ACCESS TO DISTRICT PROPERTIES BY THE SAN JOAQUIN RIVER RESTORATION PROGRAM – LONG TERM RECAPTURE AND RECIRCULATION OF RESTORATION FLOWS ENVIRONMENTAL STATEMENT STUDIES. ACTION AS NECESSARY.

The Board reviewed the "Request for Access to District Properties" but determined they needed additional information to make a decision on it. District Counsel Jeanne Zolezzi office is trying to schedule a meeting with the U.S. Bureau of Reclamation to clarify some issues with the agreement. The Board took no action and requested the item be tabled until the June meeting.

ITEM 11 – REVIEW LETTER FROM PENSION FUND GROUP, VOYA, TO DETERMINE APPROPRIATE RESPONSE. ACTION AS NECESSARY.

Secretary Howe reported the District received a letter from VOYA, the District's pension fund group, regarding changes to the "VOYA Retirement Insurance and Annuity Company Group Contract. The District's current contract has a fixed account which offers an above-market guaranteed minimum interest rate of greater the 1%, currently paying 4%. As of September 15, 2017 VOYA intends to close the current account to any new deposits or transfers. The current fixed account will be replaced with another account paying no less than 1% and is paying 1.75% at the this time. Since this is part of the District's contract with VOYA, they need the District's consent to make this change. If the District does not consent, VOYA will not accept any deposits from the District. After discussing the changes, Director Annette Elissagaray made a motion to authorize Secretary Howe to give the District's consent, but also to research other possible retirement options for District employees. Director James M. Thoming seconded the motion and it passed by the following vote; Ayes: Directors James McLeod, Annette Elissagaray, Glenn Robertson and James M. Thoming; Noes: None; Abstain: None; Absent: Director Keith Robertson

ITEM 12 - UPDATE ON FISHBIO ACTIVITIES IN PREPARATION OF THE PREDATION STUDY IN THE DELTA. ACTION AS NECESSARY.

Staff reported the contract with FISHBIO has been fully executed. FISHBIO has been working on identifying the materials needed to construct fyke traps and the status of needed permits. They expect to have the fyke traps complete by the end of August. The plan is to schedule a meeting with District Managers in the next few weeks to discuss publicizing the project. Doug Demko will be participating in a panel on May 24 for the benefit of the California Department of Fish and Game commission.

ITEM 13 -PRESENTATION ON SPUR DIKE PROJECT ON SAN JOAQUIN RIVER. CONSIDER REQUESTING FEDERAL FUNDS FOR THE INFRASTRUCTURE IMPROVEMENTS. ACTION AS NECESSARY.

General Manager Weisenberger presented a copy of the request for federal funding he sent to Congressman Jeff Denham. In order to obtain funding the District needs a construction ready project and support from the Flood Control Board and the Army Corps. Staff presented an estimated budge for the spur dikes of \$6,202,820. This amount includes \$1,000,000 for wildlife habitat and conservation. The Board reviewed the material presented and authorized staff to continue working on the project.

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

ITEM 15 - APPROVAL OF WARRANTS

Director Annette Elissagaray moved that the May 2017 Warrants in the amount of \$142,631.11 be approved for payment. Director James M. Thoming seconded the motion and it carried by the following vote; Ayes: Directors James McLeod, Annette Elissagaray, Glenn Robertson and James Thoming; Noes: None; Abstain: None; Absent: Keith Robertson

The meeting was then adjourned to Wednesday, June 14, 2017 at 9:00 a.m.

Respectfully submitted,

Margaret Howe