

MINUTES OF REGULAR MEETING OF BOARD OF TRUSTEES  
FOR RECLAMATION DISTRICT 1614  
HELD MONDAY, JULY 6, 2020

The July Regular Meeting of the Board of Trustees of Reclamation District 1614 was held on Monday, July 6, 2020, telephonically, at the hour of 2:00 p.m.

Roll Call of Board Members and Staff:

President Kevin Kauffman, Trustee Ben Koch, Trustee Christian Gaines, Attorney Daniel J. Schroeder, Attorney Andy Pinasco, Superintendent Abel Palacio, Secretary Rhonda Olmo

Absent were: District Engineer Chris Neudeck

*A list of individuals in attendance is outlined in the meeting sign-in sheet, which is attached to these minutes. – No attendance sheet attached – meeting was held telephonically.*

**Item 1. Call to Order/Roll Call.** President Kauffman called the meeting to order at 2:00 p.m. Roll call was taken.

**Item 2. Public Comment.** *The public may comment on any matter within the District's jurisdiction that is not on the agenda. Matters on the agenda may be commented on by the public when the matter is taken up. All comments are limited to 5 minutes for general public comment and per agenda item in accordance with Resolution 2014-06.*

Mr. Dominick Gulli stated he met with Mr. Chris Elias and Mr. Risk telephonically. He said they did not mention any of the lies or mistruths he is accused of speaking of. He said they admitted their back-flooding issue when they close the Gate. Mr. Gulli made comment as to the recent meeting SJAFC had in May where they had an assessment hearing to approve collection of the Smith Canal assessments. He also spoke to SJAFC's meeting in June where a new budget was presented. Mr. Gulli said approximately 17M was added to the project in one month and this was not brought back before the public for approval.

Mr. Chris Elias stated he had nothing to offer in response to Mr. Gulli unless the Board wanted a Q&A as the SJAFC project is not on today's agenda.

President Kauffman confirmed the SJAFC project/Smith Canal Gate is not on today's agenda and asked Mr. Elias if he wanted it put back on a monthly basis. Mr. Elias said agenda item #7 can be used as an opportunity to provide an update today. Attorney Schroeder stated that the agenda item that used to be on the agenda regarding "Report on Smith Canal Projects" was removed at the Trustee's request a couple of meetings ago. President Kauffman asked to have "Report on Smith Canal Projects" added back to future agendas beginning next month.

**Item 3. Approval of Minutes of the regular meeting of June 1, 2020.**

After review, Trustee Koch made a motion to approve the June 1, 2020 minutes. Trustee Gaines seconded the motion.

Roll call vote:

Ayes:	Kauffman, Koch, Gaines
Noes:	None
Abstain:	None
Absent:	None

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**Item 4. Presentation of Financial Status Report. Discussion and Possible Action.**

District Secretary, Rhonda Olmo, provided a written and oral report. She indicated this report is the draft final report for FY2019/2020 and is up to date but she still has not received the end of the fiscal year report from the County. This report will be updated, and an end of year financial statement will be provided at the August meeting. The monthly bills were reviewed. She indicated no invoices were received from KSN due to the fiscal year end as they wait to cut their invoices at the end of June. She reported where the District currently stands with their 5 Year Plan spending. She stated that she had Orlando Lobosco's visa card terminated and a new visa card issued to Abel Palacio with a \$5,000 spending limit. After review,

Trustee Koch made a motion to approve the June 2020 Financial Report. Trustee Gaines seconded the motion.

Ayes:	Kauffman, Koch, Gaines
Noes:	None
Abstain:	None
Absent:	None

**a. Adopt 2020-2021 Budget**

Attorney Andy Pinasco reported. He reviewed the 2020-2021 proposed Budget with the Board. Attorney Pinasco provided the 2019-2020 adopted budget and current financial report so the Board could see where they stood last year. He stated he looked at the budget figures from 2019-2020, looked at the expenditures, then determined whether an increase, decrease, or keep a line item the same was warranted. He pointed out the following significant changes for the 2020-2021 budget:

1. Line item G3 (Election Expense) - \$35,000 budgeted amount added.
2. Line item G18 (Flood Fight Supplies) - \$22,000 budgeted amount added – this item has a corresponding income added under “Income – Delta Grant II – Flood Fight Supplies” (This is \$14,500 reimbursable which leaves a difference of \$7,500 which is a subvention reimbursable expense. Total cost to District would be \$1,875.00.)
3. Line item R6 (Wisconsin Pump Station Construction) - \$1,800,000.00 budgeted amount added. This is the District’s Engineer’s estimated cost of the project. This amount includes the construction management, redesign if necessary, and any contingency amounts that will be followed along with the project.

Attorney Pinasco reviewed the remaining line items and discussed any cost of business increases that were needed; i.e., annual audit. He also reviewed the minimal increases/decreases that the Board is used to seeing every year. No questions from the public. After review and discussion.

Trustee Koch made a motion to approve the 2020-2021 Budget. Trustee Gaines seconded the motion.

Ayes:	Koch, Gaines, Kauffman
Noes:	None

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Abstain:            None  
Absent:            None

**b. Adopt Resolution 2020-02 Adopting Appropriations Limit for Fiscal Year 2020-2021.**

Attorney Schroeder presented. He stated each year this District receives a portion of the property taxes that are levied against the properties located within this reclamation district. California voters approximately 30 years ago adopted Prop 4, which like Prop 13 for property taxes statewide placed a limit on the maximum portion of property taxes that a special district can receive. It sets a ceiling and if you receive any more money than what the appropriation limits calculations state you must return it. Attorney Schroeder referred to the worksheet attached to Resolution 2020-02 stating it is the worksheet that is mandated by Prop 4, as well the Gov't Code, establishing how you go about calculating what the new limit will be. He explained the price and population factors provided by the state and the factors applied last year. The 2020-2021 appropriations limit is \$686,107.36. Attorney Schroeder said this is the annual process that all special districts go through. This is an obligation that the district must do annually. Questions were addressed from the public. After further review,

Trustee Koch made a motion to adopt Resolution 2020-02 Adopting Appropriations Limit for Fiscal Year 2020-2021. Trustee Gaines seconded the motion.

Ayes:            Koch, Gaines, Kauffman  
Noes:            None  
Abstain:            None  
Absent:            None

**c. Adopt Resolution 2020-03 Certifying Wisconsin Pump Station Assessments To Be Collected And Establishing A Procedure For Collection.**

Attorney Schroeder presented. He stated annually the District is required to adopt an assessments limit for the Wisconsin Pump Station Assessment. The District did establish these assessments several years ago with a Prop 218 election process. The voters established the maximum amount of assessments that the District can levy annually. This year, as in prior years, the District and the District's Engineer are recommending 100% of the Prop 218 amount be assessed in order to cover the ongoing costs associated with the construction of the Wisconsin Pump Station and its maintenance. Questions were addressed from the public. After further review,

Trustee Koch made a motion to adopt Resolution 2020-03 Adopting Resolution 2020-03 Certifying Wisconsin Pump Station Assessments To Be Collected And Establishing A Procedure For Collection. Trustee Gaines seconded the motion.

Ayes:            Koch, Gaines, Kauffman  
Noes:            None

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Abstain:            None  
Absent:            None

**d. Adopt Resolution 2020-04 Certifying General Assessments To Be Collected And Establishing A Procedure For Collection.**

Attorney Schroeder presented. He stated the prior resolution involved the Wisconsin Pump Station which was limited in the scope of the funding. Unlike that the general assessment that is being addressed in Resolution 2020-04 is a general assessment. This is the Prop 218 assessment that was established in 2006 which the voters said could be used with anything regarding the reclamation works within the district. Staff has reviewed and determined there is no inflator in the number. Staff is recommending 100% of the assessment limit be done again which has been done for several years. No questions were heard from the public. After review,

Trustee Koch made a motion to adopt Resolution 2020-04 Adopting Resolution 2020-04 Certifying General Assessments To Be Collected And Establishing A Procedure For Collection. Trustee Gaines seconded the motion.

Ayes:            Koch, Gaines, Kauffman  
Noes:            None  
Abstain:        None  
Absent:        None

**e. Approve Proposal for Renewal of Travelers Insurance Policy – Crime Coverages.**

District Secretary Rhonda Olmo presented. She stated this is the District's renewal policy for crime coverage for the District's secretary position. The last policy the District had was a three-year term policy and the new term will be the same. The premium for 2017-2020 was \$617 (\$205/yr.) + commission (15% +/-). The new premium for 2020-2023 is \$834 (\$278/yr.) + commission (15% +/-). Increase in \$217 for the Policy, which amounts to an increase of \$73/yr. for the 3-year term. Attorney Schroeder said this a substitute for obtaining a bond to cover the liability of the District Secretary. Discussion was held. No questions were heard from the public. After review,

Trustee Koch made a motion to Approve the Proposal for Renewal of Travelers Insurance Policy – Crime Coverages. Trustee Gaines seconded the motion.

Ayes:            Koch, Gaines, Kauffman  
Noes:            None  
Abstain:        None  
Absent:        None

**Item 5. Presentation of Engineer's Report.** Discussion and possible action:

**a. Permit Applications – None.**

- b. Wisconsin Pump Station Project – General Project Update – None
- c. Review and direction to District staff for terms and conditions to include in a District Policy for fallen trees and other vegetation. – See below.
- d. Delta Grant II – Proposed Storage Container and Supplies – General Project Update – covered under Superintendent Report.

**FROM ENGINEERS REPORT:**

**I. WISCONSIN PUMP STATION NO. 7**

- A. Civil:  
Civil plans are substantially complete (90%). We are now awaiting further CVFPB/USACE comments.
- B. Structural:  
Structural plans are substantially complete (90%).
- C. Electrical:  
PG&E is in the design phase.
- D. Environmental:  
Done
- E. Permitting:  
CVFPB permit application review is still underway by USACE. We have been told by USACE early last week that it expects to be complete with its review in June, and that we would likely not need the Section 1156 agreement. However, USACE informed us last Friday that they will need to agree after all. At this point, it is unclear as to when USACE will be completed with its 408 review. Also, USACE posted last Friday a Public Notice regarding our “Request for Permission to Alter a U.S. Army Corps of Engineers Project under Section 408”. This Public Notice has a 30 days public comment period.

CDFW (1602): We forwarded our final 1602 responses to CDFW on 3/4/2020 and included the Incidental Take Minimization Measures (ITMMs) that were provided by SJCOG. We received the updated draft 1602 from CDFW on 5/19/20. They incorporated all our comments except with one condition pertaining to pre-construction Swainson's hawk surveys. The updated draft language for this condition does not coincide with the SJCOG HCP. On 6/8/2020, we provided CDFW with the fully executed copy of the Incidental Take Minimization Measures (ITMMs) that were issued to us by SJCOG in order to bolster our argument and finalize this 1602 permit.

RWQCB (401) permit is completed.

USACE (404) permit is being processed. Informal consultations are complete with USFWS and NMFS. CVFPB/408 has to be complete before 404 is finalized.

**II. AB 360 DELTA LEVEES SUBVENTION PROGRAM**

- A. Review typical policy for fallen trees in Smith Canal. The Board of Trustees historically have required the landowner from, which the tree has fallen, to take the responsibility to remove the tree. Unfortunately, this is an enormous task given the nature of it sitting in the canal. Review with Trustees the issues surrounding these events with the potential for levee impacts etc.

Mr. Neudeck was not present. Attorney Schroeder presented. He said he has discussed this with Mr. Neudeck, and they agree on what they are to recommend to the Board. Attorney Schroeder said since the District is a public agency that any expenditure of funds that are done must be for a legitimate district purpose and not a gift of public funds which is in violation of the California Constitution. Attorney Schroeder said in discussing this with Mr. Neudeck they concluded that this situation (removal of fallen trees and other vegetation especially the roots that must be chased out) is really about wanting the districts to improve the levies by putting riprap on sections of the levee. The District cannot just go in and voluntarily do it because the District does not have any easement right on the property. The District in 2009, and amended in 2011, adopted a policy for riprap where the District said it would install the riprap at its expense in exchange for the District obtaining an easement. Attorney Schroeder said the reason the District requested an easement is it does not have one over most of the properties within the Smith Canal region. Attorney Schroeder stated they are recommending that for situations involving fallen trees, removal of vegetation, and the chasing of the roots is that the District make the same policy that it has for riprap but broaden it to include fallen trees and other vegetation. That way when the District expends the money to chase the roots out of a tree that has fallen it not only does so at its own expense, but it does so in exchange for getting a valuable right.

Discussion was held. President Kauffman said he wants no obligation once the riprap is in. Attorney Schroeder said the easement does not undertake any obligation other than the District's reclamation works so once the riprap is in the District would be required to maintain that riprap but for anything else the District would not. By obtaining an easement on a property that did not have riprap but had a tree that had fallen you are required to take the roots out from that tree because that was the deal, but you have no obligation to install riprap. Attorney Schroeder said it's that one event whether its putting in the riprap or it is taking out the tree that is what the District is giving them in exchange for getting the easement. Once the District has the easement the District can do or not do what it wants to do.

Comments from Mr. Gulli were heard on reclamation districts taking on the responsibility of the levee and canal for maintenance. The Board directed Attorney Schroeder to have the policy drafted, to let the Board know what type of percentages the District has easements for and bring back to the August meeting for review.

### **III. DELTA GRANT II – PROPOSED STORAGE CONTAINER AND SUPPLYS**

- A. Storage Container has been delivered now we must relocate onto concrete pad and fill the container with Flood Fight Supplies. (*Exhibit A: Photo Summary of Container delivery – included in Engineer's packet.*)

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The District Engineer was not present at today's meeting. President Kauffman asked Attorney Schroeder to reach out to Mr. Neudeck for an update on his item I.E above prior to the next Board meeting. No comments were heard on the Engineer's Report.

**Item 6. Presentation of Superintendent's Report; request for direction.**

**a. Status update on District Superintendent Palacio's Training Progress.** - None

Superintendent Abel Palacio stated he received a phone call from Travis (contractor from Holt Bros.) this morning stating he can have the container installed today. Mr. Palacio said as soon as this is complete that he already has partial materials for the emergency flood preparation to begin filling the container. He stated he does want to purchase some shelving to help with organization.

Regarding the pump stations, Mr. Palacio said they are in good shape. He did have an intrusion alarm go off that he responded to which was a false alarm. He plans to investigate the sensors to replace them with something more reliable. Mr. Palacio spoke with a representative at Rayco to let them know he is the point of contact and transferred all the credentials for logging into the alarm systems to him. Regarding levee inspections, Mr. Palacio said much of the levee is covered with vegetation making visibility difficult. However, what is visible looks well. Mr. Palacio noticed a survey team at the Franklin Station.

President Kauffman and the Board thanked Mr. Palacio for his first written/oral report stating both were well drafted/communicated. Mr. Dominick Gulli and Mr. Chris Elias welcomed Mr. Palacio. President Kauffman encouraged Mr. Palacio to meet with Chris Elias and/or Tony Risk.

**Item 7. Report and Direction regarding third party review of information received by the District related to the San Joaquin Area Flood Control Agency's Smith Canal Gate Structure Project.**

President Kauffman reported. He stated Bill Croyle has not gotten back with him to give him a report to review yet. He will reach out to him and report back at the August meeting.

Mr. Chris Elias said an email/letter was sent out to the neighbors letting them know construction will be starting and informing them that the noise impact will be minimized. There will be a virtual meeting with the neighbor's tomorrow. Mr. Elias stated he would send the call-in information to President Kauffman for the virtual meeting. Comments were heard.

**Item 8. Report on Meetings Attended.** None.

**Item 9. District Calendar.**

**a. Next Meeting** - Next meeting will be held telephonically on August 3, 2020.

**Item 10. Items for Future Meetings.** SJAFCFA Smith Canal Gate Structure, Election process and umbrella policy.

**Item 12. Correspondence.** Included in Agenda packet.

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**Item 13. Motion to Approve Bills.**

Trustee Koch made a motion to approve the bills for the month of June 2020 with the warrants to be signed by President Kauffman and Attorney Schroeder. Trustee Gaines seconded the motion.

Ayes:           Koch, Gaines, Kauffman  
Noes:           None  
Abstain:        None  
Absent:         None

**Item 14. Adjournment.** The meeting concluded at 3:16 p.m.

Secretary: The agenda for this meeting was posted at 3121 West March Lane, Suite 100, Stockton, California at least 72 hours preceding the meeting.

Respectfully submitted,

Rhonda L. Olmo  
District Secretary