**RECLAMATION DISTRICT NO. 2035**

**BOARD OF TRUSTEES**

**MINUTES OF REGULAR MEETING**

**April 5, 2018**

1. **Call to Order**

Pursuant to notice of a regular meeting, which was posted and served on the members of the Board of Trustees of Reclamation District No. 2035 more than 72 hours prior to April 5, 2018, the Board of Trustees of Reclamation District No. 2035 held a regular meeting at 45332 County Road 25, Woodland California. The meeting was called to order at 11:35 a.m. by President Thomas.

1. **Roll Call**

Trustee Christie and President Thomas were present. Trustee Baker was absent. President Thomas noted that a quorum was present for conducting business. Mike Hall and Marti Holland of the District; Scott Morris, District Counsel; Jay Punia, District Engineer; Steve Brown of Larsen Wurzel & Associates; and Steve Gidaro and Kyriakos Tsakopoulos were also present. Ingrid Sheipline from Richardson & Company, LLP (Accountants) was present part-time to present the Audit Report.

1. **Public Comment**

There was no Public Comment.

1. **Approve Minutes**

The Board reviewed and considered approval of the Minutes from the December 21, 2017 regular and February 13, 2918 special Board of Trustees meetings. Thereafter, Trustee Christie moved approval of the minutes and President Thomas seconded. The minutes were approved 2-0-1 (Baker absent).

1. **Presentation and Approval of 16/17 Financial Statement**

Marti Holland and Ingrid Sheipline from Richardson & Company, LLP, the District's Accounting firm explained no single audit was needed this year because the district did not spend more than $750,000 of federal funds. At this point it is unclear if a single audit will be need next year due to the limit. Marti Holland was directed to work with Gary Reents to determine if a single audit is needed, and to see if the USBR agrees with that determination. Next, the results of the Independent Auditor's Report for the year ending June 30, 2017 was presented to the Board. The audit was a "clean audit". There was a restatement of the District's net position over last year of $13,332,763 (decrease) due to the fact that that amount reflects the WDCWA's interest in the Joint Intake Project and not the District's. Additional questions and discussion from the Trustees followed. President Thomas stated he want to discuss the recommendations contained in the Management letter at the next Board meeting.

Trustee Christy moved to accept the Auditor's report. President Thomas seconded. The motion was approved 2-0-1 (Baker absent).

1. **DWR Report "A" Rating After Inspection**

General Manager Mike Hall updated the Board on the status of the recent DWR levee inspection. He stated that the District received an "A" rating from DWR, which is an improvement over the last results. District Engineer Jay Punia stated this was an excellent result, but the Board needed to keep in mind that the deficiencies found by the U.S. Army Corps of Engineers remained and will need to be dealt with in the near future. President Thomas thanked Mike Hall and Jay Punia for all their hard work on the levee projects stating that they made for a great team.

No action was taken on this item as it was informational only.

1. **Water Rate Update**

The Board received and discussed a report from Gary Reents, Consulting Engineer. Mike Hall stated that Water Rates would not be raised this year, therefore, no action was needed by the Board on this item.

1. **ASCE Project Award – Joint Intake**

Mike Hall and President Thomas informed the Board that the Joint Intake Project was awarded the American Society of Civil Engineers 2017 Outstanding Water/Wastewater Project of the Year for 2017 by the Sacramento ASCE Section. A copy of the award letter was provided. Mr. Thomas invited Board members to attend the awards dinner on March 30, 2018.

No action was taken on this item as it was informational only.

1. **Yolo County Multi-Jurisdictional Hazard Mitigation Plan**

Jay Punia presented this item to the Board. He stated that the Yolo County Operational Area Multi-Jurisdictional Hazard Mitigation Plan was amended to include the District. Doing so could allow the District to compete for and hopefully receive additional funding. Mr. Punia explained the Resolution before the Board which would adopt the Yolo County Operational Area Multi-Jurisdictional Hazard Mitigation Plan.

Thereafter, President Thomas moved for approval of the Resolution Adopting the Yolo County Operational Area Multi-Jurisdictional Hazard Mitigation Plan and Trustee Christie seconded the motion. The motion was approved 2-0-1 (Baker absent).

1. **M&O Assessment – Administrative Draft Engineer's Report**

Jay Punia explained to the Board the timeline for implementing increased O&M Assessments. He stated that the District needs an increase in the O&M Assessments to keep pace with inflation and to correct deficiencies in the flood control system the Corps of Engineers has found. In response to a Trustee question, Mr. Punia stated that structural deficiencies in levees are the responsibility of the Corps/State, but there are still O&M deficiencies which are expensive and the responsibility of the District. President Thomas asked Mr. Punia to evaluate the impact of the Woodland Water Treatment Plant changes and the impact of those to the District. He also noted that the last O&M Assessment was done in 1997. Mr. Brown summarized the Administrative Draft Operations and Maintenance Engineers Report.

After additional Trustee questions and answers, President Thomas moved approval of the Resolution Initiating Proceedings, Providing Intention to Levy Assessments, Preliminarily Approving the Engineer's Report, and Providing Notice of Hearing for the Formation of Special Assessment District and Levying of the Special Benefit Assessment. Trustee Christie seconded the motion. The motion was approved 2-0-1 (Baker absent).

1. **Proposal for Sampling testing RD 2035 Soils for Borrow Material**

Mike Hall stated that the proposal for soils sampling was with the landowner and not the District. He was simply presenting it for informational purposes.

1. **LAFCO Municipal Services Review Report**

Discussion was deferred for a future meeting.

1. **Budget v. Actual**

Marti Holland presented a budget update to the Board. As no amendments were requested, the item was presented for information only and no action was taken.

1. **PL 84-99 Repair Work for Sites 8&9**

Mike Hall and Jay Punia reported an update on the timeline, staging areas and repair work of sites and 8 & 9.

1. **Funding Agreement for Drainage Pipe Inspections**

RD2035 has obtained an agreement with DWR for $26,160 for video inspection of the drainage pipes to evaluate levee penetrations at no cost to the District.

The meeting was adjourned at 12:30 pm.

ATTEST:

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Secretary, Reclamation District 2035