

**MINUTES OF THE SPECIAL MEETING OF BOARD OF TRUSTEES
FOR RECLAMATION DISTRICT 1608
HELD WEDNESDAY, OCTOBER 19, 2016**

A Special Meeting of the Board of Trustees of Reclamation District 1608 was held on October 19, 2016, at the law office of Neumiller & Beardslee, 509 W. Weber Avenue, 5th Floor, Stockton, California, at the hour of 8:00 a.m.

TRUSTEES PRESENT WERE:

MICHAEL PANZER
DREW MEYERS
BRETT THOLBORN

OTHERS PRESENT WERE:

DANIEL J. SCHROEDER
ANDREW J. PINASCO
CHRIS NEUDECK
JOE BRYSON
RHONDA OLMO
JUDITH BUETHE

ABSENT WAS:

JEAN L. KNIGHT

Item 1. Public Comment. President Panzer called the meeting to order at 8:02 a.m.
No Public Comment.

Item 2. Approval of Minutes. Minutes of the special meetings of August 19, 2016 and September 20, 2016. Approved as read,

It was moved, seconded (B. Tholborn/D. Meyers) and
unanimously carried by the Board of Trustees of Reclamation
District 1608 that the minutes of the special meeting on
August 19, 2016 and September 20, 2016 be approved as
read.

Item 3. Financial Report. Review, discuss, and accept financial report.

The following bills, and warrants in payment of same, were approved: Note: due to no meeting and/or meeting date change, warrants for the following checks were signed by 2 Trustees on or near the following dates.

SEPTEMBER 8, 2016

VOID, #5822	
JEAN L. KNIGHT, #5823, Secretarial Fee	690.00
NEUMILLER & BEARDSLEE, #5824, Inv. #279508	5,635.27
CROCE & COMPANY, #5825, Inv. #s 2005631 & 2005430	648.00
PG&E, #5826, Electrical.....	47.56
CROCE, SANGUINETTI & VANDERVEEN, #5827, Inv. #4623	135.00
PAUL E. VAZ TRUCKING, #5828, Underpayment from Warrant #5821	100.00
KJELDEN, SINNOCK & NEUDECK, #5829, Inv. #s 19514-19520.....	29,334.18
RECLAMATION DISTRICT 1608, #5830, Transfer to Checking.....	30,000.00

OCTOBER 4, 2016

MICHAEL PANZER, #5831, Trustee Fee	200.00
DREW MEYERS, #5832, Trustee Fee	500.00
BRETT THOLBORN, #5833, Trustee Fee	100.00
JEAN L. KNIGHT, #5834, Secretarial Fee	690.00
NEUMILLER & BEARDSLEE, #5835, Inv. #279714	6,101.04
KJELDEN, SINNOCK & NEUDECK, #5836, Inv. #s 19043 – 19649	14,788.66
PG&E, #5837, Electrical.....	18.78
B&R Self Storage, #5838, Inv. #186-16/17.....	800.00

Timesheets for the following employees were submitted and checks in payment of same, were approved:

GABRIEL P. BANKS, #1272, August 1-15, 2016 Semi-Monthly Salary	887.50
CALIFORNIA STATE DISBURSEMENT UNIT, #1273, Income Withholding Order (Gabriel P. Banks)	185.62
JOE BRYSON, #1274, Payroll, August Salary	4,010.39
GABRIEL P. BANKS, #1275, August 16-31, 2016 Semi-Monthly Salary	644.71
CALIFORNIA STATE DISBURSEMENT UNIT, #1276, Income Withholding Order (Gabriel P. Banks)	185.62
GABRIEL P. BANKS, #1277 September 1 -15, 2016 Semi-Monthly Salary.....	746.75
VOID, Check #1278	
CALIFORNIA STATE DISBURSEMENT UNIT, #1279, Income Withholding Order (Gabriel P. Banks)	185.62
JOE BRYSON, #1280, Payroll, September Salary.....	3,508.49
GABRIEL P. BANKS, #1281, September 16-30, 2016 Semi-Monthly Salary.....	400.80
CALIFORNIA STATE DISBURSEMENT UNIT, #1282, Income Withholding Order (Gabriel P. Banks)	185.62

State and Federal Payroll Taxes scheduled to be paid on line, were approved

State Government, Payroll Taxes, August Salary	393.05
Federal Government, Payroll Taxes, August Salary	2,368.70
State Government, Payroll Taxes, September Salary	432.02
Federal Government, Payroll Taxes, September Salary	2,468.78

Mr. Dan Schroeder presented two financial reports (August & September 2016). With regard to the August report, he stated that he did not understand why the payroll taxes and expenses were already over budget (he will speak with Ms. Knight). Under General Engineering it shows that 82% is already booked to date. Mr. Neudeck stated that this is carryover from the Letter of Map Revision and that it was a one-time expense. On the income side, Mr. Schroeder said that there was very little activity as assessment money and property taxes will not be seen until January/May 2017. A line item was added to the report for the District's bank account. For the September Financial Report, Mr. Schroeder noted that he will discuss the payroll taxes and expenses with Ms. Knight.

Upon motion duly made seconded (B. Tholborn/D. Meyers) and unanimously carried, the Trustees of Reclamation District 1608 approved the August and September Financial Reports.

(a) Ratify CSV Financial Transaction Report Agreement.

Mr. Schroeder stated that this report came in last June and was not executed. Since this is a fairly routine administrative document and the audit agreement was previously approved authorizing Dr. Panzer to sign it, Mr. Schroeder is seeking ratification.

Upon motion duly made seconded (B. Tholborn/D. Meyers) and unanimously carried, the Trustees of Reclamation District 1608 ratified and approved the execution of the CSV Financial Transaction Report Agreement.

(b) Review and Discuss Long Term Budget Planning and Project Expenditure Plan

Because of an earlier reported conflict of interest determined by the California Attorney General's Office with Mr. Tholborn, Mr. Schroeder instructed that no sediment removal project be discussed during this item.

Mr. Chris Neudeck and Mr. Schroeder gave a presentation on the draft 20-year projected income and expenses for RD 1608 on the overhead projector screen. This information can be found under Tab D of the Engineers Report. Mr. Neudeck encouraged the Trustees to further review the draft scenarios. He will send the Trustees the excel spreadsheet to give them the opportunity to play with the numbers themselves. This item will be on the next Agenda to further delve into this material to address all questions and comments.

c) Discuss Sediment Removal Project and Cost Update.

8:40 a.m. - Mr. Tholborn excused himself from the meeting. Mr. Neudeck referred to the previous presentation and stated that he and Mr. Schroeder had also evaluated the costs associated with the Sediment Removal Project. He stated that they did quite a bit of analysis. Mr. Neudeck said the prior Districts Engineer worked with KSN in development of the baseline plans and specifications. Per Mr. Neudeck, the Engineers approach was wise but not necessarily peer reviewed. Mr. Neudeck does not want to follow that path and wants to make sure that what is suggested to the Board is still feasible. He contacted a resident expert in dredging and they had a number of discussions. He said that when you dredge you have to consider whether you go within the confines of what is called a general or individual permit. Mr. Neudeck discussed these permits with the Trustees. He believes he

can operate under the general permit. Discussion was held. The full spreadsheet delineation will be emailed to the Board Members so they can digest the report. This item will also be on the next Agenda for further discussion.

Mr. Tholborn returned to the meeting at 9:10 a.m.

Item 4. Engineer's Report. Request for directions and approvals.

- (a) Consider new permits requests from homeowners.
 - (1) 6207 Embarcadero Drive, Juan P. and B.L. Delgado, Index No. 16 Lot 1914, APN 098-340-01, Review request and seek Board of Trustees approval to install artificial turf on landside slope of the levee and install 2" X 12" header boards.
- (b) Discussion and possible action regarding City of Stockton Storm Water Pumping Pipe Incident.
- (c) FEMA Mapping Status.
- (d) Ratify Letter of Support for Round 2 Delta funding.

From Engineers Report:

I. PLAN REVIEW

A. Current permit requests from homeowners:

- a. 6207 Embarcadero Drive
Juan P. & B. L. Delgado
Josh Borges General Contractor
(209) 957-7336
Index No. 16 Lot 1914
APN 098-340-01

Review request and seek Board of Trustees approval to install artificial turf on landside slope of the levee and install 2" x 12" header boards.

KSN Inc. recommends approval of this application with the following condition(s):
The landowner must keep vegetation on the levee landside slope trimmed up to allow inspection of levee slopes at all times throughout the year.

Exhibit A: Delgado's Application for Approval of Plans and/or Encroachment Permit.

Exhibit B: Levee Inspection Report December 2015.

Exhibit C: Photograph's of the existing landside slope condition and backyard.

Mr. Neudeck stated that this is a fairly simple and straightforward request to place artificial turf on the landside of the levee and remove rocks, trim up the bushes, and clean up the slope. He referred to the pictures in Exhibit B (some include work previously approved on the waterside of their levee). Mr. Neudeck is fine with this and feels the element of having surficial type treatment such as this is preferred. Mr. Neudeck and Mr. Bryson recommend approval.

After review,

Upon motion duly made seconded (D. Meyers/B. Tholborn) and unanimously carried, the Trustees of Reclamation District 1608 approved the permit with the conditions as stated above.

II. DELTA LEVEE SUBVENTIONS PROGRAM AB 360

- A. Review the status of the City of Stockton's stormwater discharge pipe replacement through levee from the North Lake system.

As stated at previous Board meetings by Mr. Neudeck, last summer there was a condition where the levee was eroded away by the failure of the City's stormwater discharge pipe. Mr. Neudeck permitted them to repair the pipe that failed together with conditions that they also recoat the additional two discharge pipes. They have completed the new pipe and coated everything. However, due to weather conditions they were not able to complete the other two. They plan to continue the end of this week. Per Mr. Neudeck, this is on track.

III. SAN JOAQUIN COUNTY HYACINTH REMOVAL

- A. Review the status of SJCo's Hyacinth Removal Project from 5 Mile Slough at the east end near I-5.

Mr. Neudeck said that the hyacinth removal is complete and satisfactory to his conditions.

IV. SEDIMENT REMOVAL PROJECT

- A. Review with the Board of Trustees the task and scope that needs to be evaluated in order to provide a reliable project estimate. Discuss project design elements and our plan to work with Legal Counsel to evaluate District reserves and budgetary constraints.

Exhibit C: 20 Year projected Income & Expense for RD 1608 without Delta Levee Subvention reimbursements after Subventions sunset in Fiscal Year 2017-2018.

Exhibit D: 20 Year projected Income & Expense for RD 1608 with Delta Levee Subvention reimbursements after Subventions sunset in Fiscal Year 2017-2018.

Presentation of 20 Year projected Income & Expense for RD 1608 on the overhead projector screen.

See item 3c.

V. FEMA MAPPING STATUS

- A. Review ongoing status and progress of preparation of the Letter of Map Revision (LOMR) application for District's response to FEMA regarding the mapping status of the District's levee system. Review status of signature on MT-2 form from the City of Stockton from our August 26th submittal.

Yesterday, Mr. Neudeck learned that the City has a concern relative to signing the MT-2 form because of an issue related to CEQA compliance. Mr. Neudeck said FEMA was sued five years ago for issuing these Letters of Conditional Map Revisions and for not verifying if CEQA compliance had occurred in California. He said that the form relates to that but that it also states that if there is no projected work and is just a study that it does not apply. The City of Stockton wants a statement from Mr. Neudeck that there is no projected work. Mr. Neudeck will work with Mr. Schroeder to have this statement prepared indicating that this is a study of existing condition and that there is no anticipated work as a result of this plan.

Agenda Item 4d. Ratify Letter of Support for Round 2 Delta funding.

Mr. Neudeck said this is related to the Round 2 Emergency Response Delta Funding that is being applied for by San Joaquin County OES (Mike Cockrell). Mr. Cockrell is seeking to develop a revenue stream by which he can place in each Reclamation District within San Joaquin County pre-outfitted containers with all flood fight supplies. He is also putting together a training program. If the application is approved, he will pay the Districts to train their Executive Boards. Mr. Cockrell is seeking RD 1608 to endorse his application for the funds.

Mr. Schroeder stated that there was a timing issue with this. A decision was made not to hold a Special Meeting as there was no liability to the District in doing this. It also benefits the District in that if the funds do materialize that it will provide materials to the District. President Panzer has signed the letter and a motion to ratify is needed.

After review,

Upon motion duly made seconded (D. Meyers/B. Tholborn) and unanimously carried, the Trustees of Reclamation District 1608 ratified and approved the signing of the Letter of Support for Round 2 funding.

Item 5. Subventions Agreement. Adopt Resolution 2016-05 Approving And Authorizing Execution Of Delta Levee Maintenance Subventions Program Work Agreement Fiscal Year 2016-2017.

Mr. Schroeder said that this Agreement arrived earlier this year than in the past. This is for this fiscal year's Subventions Program. Barring any questions Mr. Schroeder recommended adoption. No questions were presented.

After review,

Upon motion duly made seconded (B. Tholborn/D. Meyers) and unanimously carried, the Trustees of Reclamation District 1608 adopt Resolution 2016-05 Approving and Authorizing Execution of Delta Levee Maintenance Subventions Program Work Agreement Fiscal Year 2016-2017 and authorized the President to sign.

Item 6. CEQA Exemption. Adopt Resolution 2016-06 Authorizing And Directing Filing Of Notice Of Exemption For Routine Maintenance, For Fiscal Year 2016-2017

Mr. Schroeder stated that is a companion to Item 5 above. In order to comply with CEQA requirements, a Notice of Exemption will need to be posted that the work that is being done is for maintenance and does not fall within the definition of a project.

After review,

Upon motion duly made seconded (B. Tholborn/D. Meyers) and unanimously carried, the Trustees of Reclamation District 1608 adopt Resolution 2016-06 Authorizing and Directing Filing Of Notice of Exemption For Routine Maintenance For Fiscal Year 2016-2017 setting forth that this is an exempt activity and authorizing the District Engineer to post the appropriate Notice.

Item 7. Levee Superintendent Report. Request for directions and approvals. Mr. Bryson went through the Superintendent's Report. Discussion was held.

On item 1 – Caltrans put the rock in and built a new fence and gate. Mr. Bryson promised the homeowner he would secure the gate.

On item 2 – Caltrans brought rock in.

On item 7 – Mr. Neudeck stated that this may have been caused by the condition of PG&E's high voltage power line that runs down the levee. Mr. Neudeck instructed Mr. Bryson to excavate/recompact and put in some good soil. This is a shrinkage crack.

On item 14 – Mr. Schroeder stated there may be an opportunity to obtain an Easement.

On item 21 – Mr. Bryson's personal tools were taken. He will work with Jean Knight to see what else is missing.

On item 23 – Mr. Neudeck instructed Mr. Bryson to state that if the plants are not out within a week that the District will remove them.

On item 25 – Mr. Schroeder said that a letter could be prepared advising what can and what can't be done. It could instruct the homeowners to expect a visit from Mr. Bryson seeking the information needed. This could also be incorporated into the next Newsletter.

Item 8. Newsletter. Discuss fall District newsletter.

Judith Buehe will confirm contact information she has with homeowners. Suggestions were given to Ms. Buehe as to what could be incorporated into the next Newsletter. Ideas: Emergency Plan is now online, report to Mr. Bryson any unusual activity on the levee, highlight District website, lawn chairs/barbecues/storage issues. Ms. Buehe will prepare a draft and present it at the next meeting.

Item 9. Report by Trustees on meetings attended and upcoming meetings. Request for direction Mr. Schroeder, Mr. Neudeck and Mr. Meyers will attend the TAC meeting this afternoon.

Item 10. Report and possible action on Progress of Tasks Assigned at Previous Board Meetings.

- (a) Review and Update Sediment Removal Project Projected Costs.
- (b) Develop Long term Expenditure Plan.

Both items will have continued discussions and will be placed on the November Agenda.

Item 11. Discussion and direction on Short-Term and Long-Range Goals. Discussion. None

Item 12. District Calendar. Discussion and direction. Next Regular meeting will be on November 2, 2016 at 8:00 a.m.

Item 13. Correspondence. Letter dated September 9, 2016 from San Joaquin County re Public Auction Notice – November 16, 2016.

Item 14. Approval of Bills. The bills were approved as presented.

Item 15. Staff Reports.

- (a) Attorney. The Agenda for this meeting was posted on the window outside the meeting room at 509 West Weber Avenue, Stockton, California, at least seventy-two (72) hours preceding the meeting.

Item 16. Adjournment. – The meeting adjourned at 10:10 a.m.

Respectfully submitted,

Rhonda L. Olmo
Acting District Secretary