

MINUTES OF THE MEETING
OF THE BOARD OF TRUSTEES OF
DELTA FARMS RECLAMATION DISTRICT NO. 2028
HELD ON WEDNESDAY, SEPTEMBER 16, 2020

Upon Notice to and consent by the Trustees of Delta Farms Reclamation District No. 2028, of the County of San Joaquin, State of California, a Meeting of the Board of Trustees was held at the offices of the District, at 343 East Main Street, Suite 815, Stockton, California, as well as various teleconference locations in accordance with Paragraph 11, Executive Order N-25-20, Executive Department, State of California, on Wednesday, September 16, 2020, at 10:30 A.M.

There were present and absent the following named Trustees, to-wit:

PRESENT

DAVID A. FORKEL
RANDALL NEUDECK
RUSSELL RYAN

ABSENT

NONE

There was also present Pamela A. Forbus, of the Law Offices of Al Warren Hoslett, Attorneys for the Reclamation District; Nate Hershey and Ann Williams, of the firm MBK Engineers, the District's Engineer; Andrew Petrini, the District's Assistant Superintendent; and Ralph Heringer.

The Minutes of the meeting of the Board of Trustees held on August 12, 2020, were considered, and upon motion made and seconded, it was:

RESOLUTION APPROVING MINUTES

RESOLVED AND ORDERED by the Board of Trustees of Delta Farms Reclamation District No. 2028, as follows:

1. That the Minutes of the meeting of the Board of Trustees of Delta Farms Reclamation District No. 2028 held on August 12, 2020 be and the same are hereby approved.

ROLL CALL:

Ayes: Trustees Forkel, Neudeck and Ryan
Noes: None
Absent: None

Upon Roll Call, the foregoing Resolution was declared unanimously passed and adopted.

The Trustees were presented with the financial report for the District. The Trustees discussed the ratification and approval of warrants and checks issued in payment of obligations of the District. Upon motion duly made and seconded, it was:

RESOLUTION RATIFYING AND APPROVING WARRANTS
AND CHECKS IN PAYMENT OF CURRENT OBLIGATIONS

RESOLVED AND ORDERED by the Board of Trustees of Delta Farms
Reclamation District No. 2028, as follows:

1. That the Warrants and Checks written since the meeting held on August 12, 2020 and presented to the Trustees at this September 16, 2020 meeting are hereby ratified, approved and authorized, a copy of which shall be attached to the minutes of the meeting and which is incorporated by reference, are hereby approved.

The Trustees were advised that, with the payment of the current obligations of this Reclamation District, there was a balance on hand in the general account in the sum of \$6,944.42 and held \$725,000.00 in registered warrants with the Bank of Stockton. The Trustees were further advised that there was a balance on hand in the District's account with the Bank of Stockton the sum of \$2,122,371.54.

ROLL CALL:

Ayes: Trustees Forkel, Neudeck and Ryan
Noes: None
Absent: None

Upon Roll Call, the foregoing Resolution was declared unanimously passed and adopted.

Following a review of the District's expenses, the Trustees next discussed the adoption of a budget for the next fiscal year. The Trustees were previously provided with a copy of a draft budget for purposes of making comments and corrections. The final draft of the Fiscal Year 2020-21 was presented to the Trustees at this Board meeting. Upon motion duly made and seconded, it was:

RESOLUTION APPROVING
BUDGET FOR YEAR FISCAL YEAR 2020-2021

RESOLVED AND ORDERED by the Board of Trustees of Delta Farms
Reclamation District No. 2028, as follows:

1. That the budget for this Reclamation District for the Fiscal Year 2020-21 be and the same hereby is approved and adopted; a copy of which shall be

attached to the minutes of the meeting and which is incorporated by reference, are hereby approved.

ROLL CALL:

Ayes: Trustees Forkel, Neudeck and Ryan
Noes: None
Absent: None

Upon Roll Call, the foregoing Resolution was declared unanimously passed and adopted.

The Engineer presented the Trustees with a written report, which included the following:

1. The Engineer reported on the District's participation in the Delta Levee Subventions Program, as follows:
 - A. Fiscal year 2019-20: The District submitted an application in the Program in the amount of \$615,000. DWR has lowered the Program funding amount to \$10 million for FY 2019-20. The Engineer is working on compiling the District's final claim, which are due November 1.
 - B. Fiscal year 2020-21: The District submitted an application in the amount of \$615,000. DWR has indicated the \$12 million is being committed to the Program for FY 2020-21.
2. Special Projects: The enhancement component of the Old River multi-benefit levee rehabilitation project is in progress. Maintenance activities will be on-going to promote plant health and longevity.

The District received a fully executed funding agreement for the design portion of the Directed Action project to rehabilitate the north and south levees. The District has requested an advance of funds from DWR. Work under this project is mostly on hold until the advance funds have been received.
3. Annual Maintenance: The Engineer presented the Trustees with a list of the maintenance items that the District is currently tracking.
4. Five Year Plan: Work on the Five-Year Plan is currently in progress. The Engineer distributed a draft of the Plan and has incorporated many of the comments received to date. A draft was also sent to DWR staff for review and comment. The Plan must be completed by the end of 2020.
5. SB 88: Work under Phase 3 of the measurement experiment (Feb 2020 through Feb 2021) is underway, as outlined in the approved Request for Additional Time.

Phase 3 efforts primarily involve installing 8 additional flange magnetic meters on the water side of the highest siphons, with at least one flow meter on each island. MWD has obtained funding approvals for Phase 3, however is currently investigating flow meter issues prior to approving the new equipment quotes and setting up a bid process for installation. After the invoices are submitted, there is up to a 6-week lead time for new equipment to be delivered. MBK conducted site visits to both Bacon and Bouldin Islands in July to check existing meters and conduct portable meter tests on running siphons. Observation at Bouldin Island Siphon No. 24 showed issues with the McCrometer flange magnetic meter (Ultra Mag), which was not identifying flow through the pipe at the time of the visit, despite the siphon running and obtaining portable meter flow measurements near the flange magnetic meter location. This issue was unable to be resolved in the field. It was confirmed that the pipe is full at the meter location by using the FLEXIM portable meters upstream and downstream of the flow meter. Additional suggestions from McCrometer did not produce any resolution to the issue. In August, the unit was sent to McCrometer. The technical support staff identified that water intrusion into the unit caused an issue with the internal circuit boards and this condition is not covered under warranty. Due to this issue, the purchase of new equipment (which includes 4 Ultra Mags) is temporarily on hold until methods to prevent this issue from occurring with other Ultra Mag meters in the future is determined.

The next Delta Measurement Experiment Consortium meeting is scheduled for Thursday, October 15. MBK and MWD will continue to participate in the Consortium and provide feedback on the draft work plan and future development of the ACP.

The Attorney advised the Trustees that this was the time and place for a public hearing on the need for an operation and maintenance. The Chairman of the Board of Trustees thereupon opened the public hearing on the levy of an operation and maintenance assessment and asked if there was anyone who wished to speak in favor of or in opposition to the levy of such assessment. The District's Attorney advised the Trustees that the District should levy an assessment in order that the District may carry out needed levee repairs and maintenance, and therefore there was a need to levy an assessment at this time in order for the District to continue to meet its bills and obligations and provide for the maintenance of the District levees. There being no other person wishing to speak in favor of or opposition to the levy of an assessment, the public hearing was closed.

The Attorney advised the Board that this was the time for them to consider the levy and call of the District's annual assessment for the year 2021. Under the Prop 218 election, the District's maximum annual assessment may be adjusted by an amount equal to the change in the Consumer Price Index, Pacific Cities & U.S. City Average, All Items Index (1982-84=100), All Urban Consumers, San Francisco-Oakland-San Jose (herein referred to as the "CPI"), between

December 2017 and December 2019. Following a discussion of this matter, upon motion duly made and seconded, it was:

RESOLUTION ESTABLISHING
MAXIMUM ASSESSMENT RATE

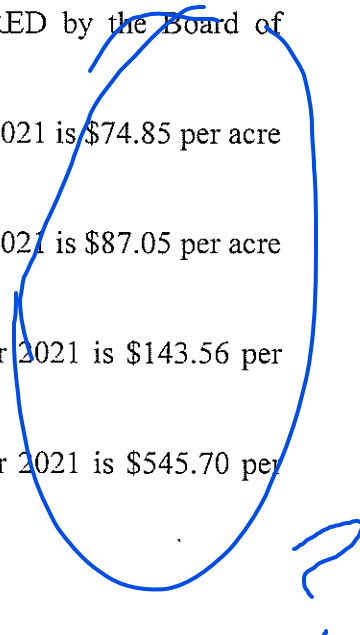
WHEREAS, the maximum assessment rate that this District can levy was established by the Prop 218 election, subject to an annual adjustment based upon the change in the Consumer Price Indexes, Pacific and U.S. City Average, All Items Indexes (1982-84 = 100), All Urban Consumers, San Francisco-Oakland-San Jose, for December 2017 with a base figure of 277.414; and,

WHEREAS, CPI figure for December 2017, the base period, was 277.414; and,

WHEREAS, the CPI figure for December 2019, the current period, is 297.007; and,

WHEREAS, the increase in the CPI is determined by the percentage difference between the base period CPI figure and the current period CPI figure.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Trustees of Delta Farms Reclamation District No. 2028, as follows:

1. That the maximum assessment rate for the assessment year 2021 is \$74.85 per acre of vacant land.
 2. That the maximum assessment rate for the assessment year 2021 is \$87.05 per acre of agricultural land use.
 3. That the maximum assessment rate for the assessment year 2021 is \$143.56 per acre of commercial/industrial land use.
 4. That the maximum assessment rate for the assessment year 2021 is \$545.70 per acre of single-family residence land use.
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ROLL CALL:

Ayes: Trustees Forkel, Neudeck and Ryan
Noes: None
Absent: None

Upon Roll Call, the foregoing Resolution was declared unanimously passed and adopted.

In connection with the assessment, the Trustees considered the fixing of charges and fees pursuant to Sections 50902 and 50904 of the Water Code for the purpose of raising funds needed by the Reclamation District for the payment of maintenance, repair, operation and incidental

expenses, and supplemental construction and replacement expenses. The Trustees concluded the amount of money needed during the assessment year 2021 for such purposes is approximately \$483,726. Following a consideration of this matter, upon motion duly made, seconded and unanimously carried, it was:

RESOLUTION FIXING OPERATION AND
MAINTENANCE ASSESSMENT FOR
2021 AND PROVIDING
FOR THE COLLECTION THEREOF

WHEREAS, the Board of Trustees of Delta Farms Reclamation District No. 2028 has elected for the year 2021 to fix the operation and maintenance assessment and provide for the collection thereof pursuant to Section 50904 of the Water Code for the purpose of raising funds needed by this Reclamation District for the payment of maintenance, repair, operation, and incidental expenses, and supplemental construction and replacement expenses; and,

WHEREAS, this Board of Trustees estimates the amount of revenue needed during the year 2021 for such purposes is \$483,726; and,

WHEREAS, a public hearing was held before the Board of Trustees on September 16, 2020, at which time no person appeared to speak in favor of or in opposition to the levy and call of an assessment; and,

WHEREAS, the levy of this assessment complies with all legal requirements of the Reclamation District Act of the State of California, the Ralph M. Brown Act, and Proposition 218; and,

WHEREAS, this assessment is levied without regard to property valuation.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Trustees of Delta Farms Reclamation District No. 2028, as follows:

1. That the maximum assessment rate for the assessment year 2021 is \$74.85 per acre of vacant land, the maximum assessment rate is \$87.05 per acre of agricultural land use, the maximum assessment rate is \$143.56 per acre of commercial/industrial land use, and the maximum assessment rate is \$545.70 per acre of single-family residence land use.
2. That \$483,726 is hereby fixed as the estimate of the funds needed during the year 2021 for the payment of maintenance, repair, operation, and incidental expenses, and supplemental construction and replacement expenses.
3. That for purpose of raising said sum of \$483,726 this Board of Trustees does hereby elect for the year 2021 to fix and collect the operation and maintenance assessment pursuant to Section 50904 of the Water Code.

4. That upon said assessment being prepared and completed in accordance with the terms of this Resolution, it be certified by the Secretary of this Reclamation District.
5. That each and every assessment shown on that certain assessment list of this Reclamation District, being known and designated as "Assessment Roll No. 2021, Delta Farms Reclamation District No. 2028", is here by ordered paid in two installments as follows: (a) the first installment thereof in the amount of \$241,863 within sixty (60) days of the date of said "Assessment Roll No. 2021, Delta Farms Reclamation District No. 2028", is filed in the office of the County Treasurer of the County of San Joaquin, namely December 1, 2020; and (b) the second installment thereof in the amount of \$241,863 within sixty (60) days of the date of said "Assessment Roll No. 2021, Delta Farms Reclamation District No. 2028", is filed in the office of the County Treasurer of the County of San Joaquin, namely June 1, 2021.

ROLL CALL:

Ayes: Trustees Forkel, Neudeck and Ryan
Noes: None
Absent: None

Upon Roll Call, the foregoing Resolution was declared unanimously passed and adopted.

The Chair asked for Public Comment. There being no one present wishing to address the Board of Trustees, the Public Comment session was closed. There being no one wishing to address the Board, and there being no further business to come before the Board, the meeting was adjourned.

PAMELA A. FORBUS, Secretary
Delta Farms Reclamation District No. 2028

Minutes of the Meeting
held on September 16, 2020,
are hereby approved.

Trustees of Delta Farms
Reclamation District No. 2028

RECLAMATION DISTRICT 2028
WARRANT LIST

From: 8/10/2020 through 09/11/2020

Date	Num	Payee	Account	Payment
8/12/2020	4955	Mid Valley Agricultural Services, Inc.	50185 Other Maintenance	849.37
8/12/2020	4956	W.C. Maloney, Inc.	50185 Other Maintenance	13,950.00
8/12/2020	4957	5G Land Management	55330 Vegetation Control	24,792.50
8/28/2020	4958	Calif. Central Valley Flood Control Assn.	50121 Ducs	2,043.00
8/28/2020	4959	MBK Engineers	55140 Engineering Routine	2,016.25
			57185 BN-18-1 5yr Plan	5,236.50
8/28/2020	4960	PG&E	50140 Engineering-Routine	117.25
8/31/2020	4962	Bovee Environmental Management, Inc.	50212 Utilities	16,664.45
			50185 Other Maintenance	600.00
General Fund Account Balance				\$ 6,944.42
Bank of Stockton Payroll Acct Balance				\$ 17,384.00
Outstanding Registered Warrant Acct Balance				\$ 725,000.00
8/4/2020		RW #4953		25,000.00
8/12/2020		RW #4954		25,000.00
8/28/2020		RW #4961		25,000.00
BN-15-1 Bank of Stockton Acct Balance				\$ 2,122,371.54

RECLAMATION DISTRICT BUDGET

RD 2028 (Bacon Island)					
		PRIOR BUDGET	YEAR-TO-DATE	APPROVED BUDGET	Comments
GL CODE	INCOME	FY 19-20	6/30/2020	FY 20-21	
40100	Assessments	\$ 469,637	\$ 656,577	\$ 483,726	Increased 3% (per CPI) from FY 19-20 budget
43100	Miscellaneous Income	\$ -	\$ 750	\$ -	
49200	Interest Income	\$ -	\$ 3,128	\$ -	
49215	BN-15 Interest Income	\$ -	\$ 684	\$ -	
45011	Subventions FY 16-17 (DWR 75%)	\$ 183,369	\$ 167,904	\$ -	
45012	Subventions FY 17-18 (DWR 75%)	\$ 236,947	\$ 219,063	\$ -	
45013	Subventions FY 18-19 (DWR 75%)	\$ 160,362	\$ 196,285	\$ -	
45014	Subventions FY 19-20 (DWR 75%)	\$ 160,362	\$ 196,285	\$ 175,637	75% of FY 19-20 actuals, less \$1,000 per mile
47515	Sp Proj BN-15-1 (DWR 97%)	\$ 8,107,294	\$ 4,549,195	\$ 606,004	Includes retention, planting and sheet pile work
47516	Sp Proj BN-15-1 (CCWD 3%)	\$ -	\$ 63,162	\$ -	
47518	Sp Proj BN-18-1	\$ 8,750	\$ -	\$ 8,750	
47519	Sp Proj BN-19-1	\$ -	\$ -	\$ 225,000	Actual expenses, less 10% retention
47001	Emergency Response Plan (DWR 100%)	\$ -	\$ -	\$ -	
47815	CAL OES (FEMA)	\$ -	\$ -	\$ -	
TOTAL INCOME		\$ 9,326,721	\$ 6,053,033	\$ 1,499,117	
GL CODE	EXPENSES				
50000	G&A				
50100	Accounting	\$ 4,500	\$ 1,958	\$ 4,500	
50102	Bank Service Charges	\$ -	\$ 539	\$ -	
50121	Dues	\$ 2,604	\$ 2,563	\$ 2,604	
50130	Other Assessments - Ferry	\$ -	\$ -	\$ -	
50140	Engineering - G&A	\$ 6,000	\$ 4,467	\$ 6,000	
50150	Insurance	\$ 10,008	\$ 9,818	\$ 10,008	
50160	Legal/Administration	\$ 20,004	\$ 30,738	\$ 30,732	Increased to FY 19-20 actuals
50161	Legal - Outside Counsel	\$ 2,004	\$ -	\$ -	
50170	Levee Maintenance - Non-Subventions	\$ 5,004	\$ 23,732	\$ 5,004	
50180	Pump Maintenance	\$ 30,000	\$ 42,198	\$ 30,000	
50185	Other Maintenance	\$ 69,300	\$ 181,664	\$ 60,000	Encroachment removal
50190	Canal Maintenance	\$ 20,004	\$ 19,618	\$ 20,004	
50211	Security Services	\$ -	\$ -	\$ -	
50212	Utilities - PG&E	\$ 100,008	\$ 144,741	\$ 100,008	
50213	Water Right Fees	\$ 2,208	\$ 2,794	\$ 2,796	Increased to FY 19-20 actuals
50220	Pipes & Crossings G&A	\$ 25,008	\$ 48,661	\$ 25,008	
50330	Vegetation Control - Non Sub	\$ 5,004	\$ -	\$ 5,004	
50400	Miscellaneous	\$ 1,008	\$ 1,602	\$ 1,008	
50402	Mileage	\$ 600	\$ 2,168	\$ 2,172	Increased to FY 19-20 actuals
50403	Office Supplies	\$ 300	\$ 683	\$ 300	
50404	Permits - EPA	\$ -	\$ -	\$ -	
50406	Publications	\$ 204	\$ -	\$ 204	
50408	Taxes and Fees	\$ 600	\$ 204	\$ 600	
50410	Parts and Supplies	\$ -	\$ -	\$ -	
50411	Storage	\$ 300	\$ 315	\$ 300	
50414	Assessment Formation	\$ 204	\$ 11,800	\$ -	
50418	Weed Control	\$ -	\$ -	\$ -	
50419	Other Assessments - CDWA	\$ 1,860	\$ 1,866	\$ 1,860	
50422	Superintendent	\$ -	\$ 188	\$ -	
50500	Payroll Account - G&A				
50501	Payroll	\$ 5,004	\$ 5,712	\$ 5,004	
50502	Payroll Services	\$ -	\$ -	\$ -	
50503	Payroll Taxes	\$ 600	\$ 412	\$ 600	
50504	Worker's Comp	\$ 300	\$ 421	\$ 300	
55000	Subventions				
55110	Toe Ditch Cleaning	\$ 30,000	\$ 45,006	\$ 30,000	
55130	Encroachments	\$ 69,300	\$ 49,100	\$ 30,000	
55140	Engineering - Routine	\$ 30,000	\$ 21,555	\$ 30,000	
55160	Emergency Flood Fight	\$ -	\$ -	\$ -	
55161	High Water Patrol	\$ -	\$ 3,805	\$ -	
55180	Levee Patrol	\$ 12,000	\$ 8,586	\$ 12,000	
55190	Levee Maintenance - Routine	\$ 50,004	\$ 16,737	\$ 50,004	
55220	Pipe & Drain Crossings - Subventions	\$ 10,008	\$ -	\$ 10,008	
55230	Professional Fees	\$ -	\$ -	\$ -	
55270	Road Repair	\$ 30,000	\$ 11,454	\$ 30,000	
55280	Repair Levee Erosion	\$ 30,000	\$ 23,848	\$ 30,000	
55320	Pest Control	\$ 5,004	\$ -	\$ 5,004	
55330	Vegetation Control	\$ 30,000	\$ 38,147	\$ 38,160	Increased to FY 19-20 actuals
55340	Miscellaneous - Subventions	\$ 30,000	\$ 2,479	\$ 2,400	Reduced to FY 19-20 actuals
55402	Mileage - Subventions	\$ 3,000	\$ 3,516	\$ 3,600	Increased to FY 19-20 actuals
55403	Office Supplies	\$ -	\$ (31)	\$ -	
55417	Habitat Mitigation	\$ 20,004	\$ -	\$ 20,004	

RECLAMATION DISTRICT BUDGET

RD 2028 (Bacon Island)					
		PRIOR BUDGET	YEAR-TO-DATE	APPROVED BUDGET	Comments
GL CODE	INCOME	FY 19-20	6/30/2020	FY 20-21	
55422	Labor Compliance	\$ -	\$ -	\$ -	
55500	Payroll Account - Subventions				
55501	Payroll	\$ 75,000	\$ 60,064	\$ 69,996	Increased for new Asst. Superintendent
55502	Payroll Services	\$ -	\$ -	\$ -	
55503	Payroll Taxes	\$ 7,500	\$ 4,864	\$ 7,500	
55504	Worker's Comp	\$ 3,600	\$ 4,358	\$ 3,600	
57000	Special Projects				
57001	Flood Emergency Response	\$ -	\$ -	\$ -	
57121	Sp Proj BN-12-1	\$ -	\$ -	\$ -	
57125	Sp Proj BN-15-1 Engineering	\$ 976,351	\$ 400,829	\$ 100,000	
57126	Sp Proj BN-15-1 Construction	\$ 6,531,753	\$ 3,681,543	\$ 300,000	Sheet pile and remaining retention
57127	Sp Proj BN-15-1 Planting	\$ 500,000	\$ 444,194	\$ 56,004	Annual maintenance
57185	Sp Proj BN-18-1 SYP	\$ 33,683	\$ 24,697	\$ 10,303	
57195	Sp Proj BN-19-1 SP Engineering	\$ -	\$ -	\$ 250,000	Assume 25% of advance funds expended
59000	Other Expenses				
	Retired Warrants		\$ -		
59001	Interest Paid on Registered Warrants	\$ 59,572	\$ 58,118	\$ 40,190	Assumes warrants held 12 months
59002	County Fees	\$ -	\$ -	\$ -	
	Capital Asset Reserve Fund	\$ -	\$ -	\$ -	
TOTAL EXPENSES		\$ 8,849,415	\$ 5,441,733	\$ 1,442,789	
NET INCOME & EXPENSES		\$ 477,306	\$ 611,300	\$ 56,328	

Account Balance as of end of FY

General Fund Account 472500	\$ 73,543	\$ 20,090	\$ 17,992	
Debt Service Fund 51661	\$ -	\$ 1,573	\$ -	Accrued county interest to be transferred to 472500
Payroll Account	\$ 6,307	\$ 26,443	\$ 26,443	
Beginning Reg'd Warrants	\$ 1,075,000	\$ 1,075,000	\$ 625,000	
Ending Reg'd Warrants	\$ 755,000	\$ 625,000	\$ 565,000	
Special Project Account BN-15-1	\$ 500,000	\$ 2,122,372	\$ 500,000	

Notes:

- 1 Subventions assumes levee maintenance YTD - \$1000/mi * 75%
- 2 Budget includes Special Projects funded work
- 3 Budget includes demo of abandoned structures similar to FY 19-20
- 4 Budget includes 5 Year Plan engineering
- 5 Budget includes new Asst. Superintendent