

**MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF
RICHVALE IRRIGATION DISTRICT
HELD ON THURSDAY, OCTOBER 19, 2023**

The Special meeting of the Richvale Irrigation District was called to order at 7:00 a.m. on Thursday, October 19, 2023, by President Job. All Directors were present. Also present were District's General Manager Sean Earley and Legal Counsel Dustin Cooper. The District's treasurer Andy Stone was absent.

The first item of business to be considered by the Board was adoption of the minutes of the regular meeting dated September 21, 2023. Upon a motion by Director Meyer, seconded by Director Sheppard the Board unanimously adopted the minutes as presented

President Job next allowed for opportunity for public comment on items within the subject matter jurisdiction of the District that do not appear on the Agenda. No such comments were offered.

The Treasurer's report was offered by Sean Earley due to the absence of the Treasurer, Andy Stone. Mr. Earley introduced the topic of payment of the bills. The District's beginning balance in the General Account was \$495,827.60. During the month of September 2023 there were disbursements of \$52,812.03, including payroll disbursements of \$45,811.93, payroll taxes of \$3,611.71 and bank charges of \$49.95. Cash Receipts during September were \$10,742.46, and the District's ending balance in the General Account at the end of September 2023 was \$419,376.77. Mr. Earley reported on the income statement how it shows that the District is below projections on revenue. Mr. Earley anticipates that improving some because there is an additional \$44,000 excepted for DWR grant reimbursement and will also still anticipate Fall water usage revenue. Director Sheppard commented that the budget amount for Fall water was anticipated in the amount of \$250,000 and the District has only received about 2% of that thus far. After further discussion with question and answer a motion was made by Director Meyer seconded by Director Sheppard and unanimously carried to accept the Treasurers report and authorize the payment of the bills.

Mr. Earley updated the Board on the Joint Water District Board meeting. He reported that Mitch Renfree the new impending new Joint Manager attended the meeting. He will be officially joining as an employee of the Joint Districts on December 1, 2023. The Joint Districts also discussed Oroville operations. Concerning irrigation season totals the District ended up with about 30,000 acre feet left on the Districts irrigations season allocation. Finally, the Joint Districts the same topics in closed session that will be discussed later this morning.

Turning to the manager and hydrology report Mr. Earley reported that Lake Oroville storage is at 134% of average, which is 70% of capacity. Given these high carryover storage figures it is more than likely we will see water transfers in the coming year, but it is good sign for a full supply irrigation season. Concerning the system modernization project, Mr. Earley reported that the project is coming to an end. There are minimal outstanding items to totally finish the project. There was considerable price inflation from initiation of the project in 2016. Next month Mr. Earley will have a display to show the improvement project.

Mr. Cooper deferred an Attorney's report to closed session.

Turning to items of business, Mr. Earley as secretary of the District, administered the Oaths of Office for Director Lyle Job and Director Kelby Sheppard. Upon completion of the Oaths, they completed signing the various documents.

Next the District received a SGMA cost allocation update. Mr. Earley reported on the various funding options and sharing approaches of the various GSAs being discussed from equal shares to hybrid approaches. There have been push backs depending on the alternatives considered from various different GSAs. Richvale Irrigation Districts preference is for a hybrid approach that reflects groundwater use. 80% fixed sharing with 20% volumetric sharing depending on level of groundwater usage. The upcoming Butte Advisory Board meeting will be on November 6th and hopefully these options will be discussed, and one will be approved.

Turning to the Proposition 218 water rate update project proposal, Mr. Earley introduced the item advising that he is looking for Board authorization to execute a task order agreement for professional engineering services and a task order for the Proposition 2018 cost of service report with both of those in the amount not to exceed \$17,659. Director Sheppard questioned the action taken last month authorizing a task order in the amount of \$6,500 to Luhdorf & Scalmanini, Consulting Engineers and whether this new item is in lieu of that work, and Mr. Earley confirmed that it is. After further discussion with question and answer a motion was made by Director Meyer seconded by Director Sheppard and unanimously carried to authorize execution of the task order in the amount not to exceed \$17,659.

Mr. Earley questioned the Board on various policy level questions to assist David's Engineering in its preparation of a cost of service analysis. Along those lines, the Board would like to have considered in the cost of service report, no more than a 6% annual increase in water rate and no more than a 12% cumulative increase in water rates over a 5 year period. The Board would like to see the Districts reserves at \$3.5 million. The Board would like to have no reliance in terms of rate stabilization or subsidization of transfers. Concerning a drought surcharge, Mr. Earley recommended, and the Board authorized the cost of service analysis to consider a 75% acreage based fee to recover the Districts cost. Lastly, concerning capital investment program the District proposed funding that at \$30,000 per year.

The Board adjourned into closed session at 8:14 a.m. and reconvened into open session at 9:22 a.m. President Job announced that direction was given to Legal Counsel and Real Property Negotiators.

There being no further business the meeting was adjourned at 9:23 a.m.

Respectfully submitted,

RICHVALE IRRIGATION DISTRICT

By: 
SEAN EARLEY, Secretary/General Manager

Attest a true record of proceedings had
and taken at the foregoing meeting, our
presence thereat and our consent thereto.




