

Dan Woolery,
President, Division 3

James Rickert,
Vice President, Division 5

Ronnean Lund,
Director, Division 1

Audie Butcher,
Director, Division 2

Steve McCarley,
Director, Division 4

Jered Shipley,
General Manager

BOARD MEETING

Agenda

June 8, 2023 – 6pm

1. Call To Order

2. Flag Salute

3. Public Participation

Time set aside for members of the public that wish to address the Board regarding operations of the District within the jurisdiction of the Board. Individuals are requested to fill out a Speaker Request Form and limit comments to a maximum of three minutes.

4. Consent Items

- a. Approve the Minutes of the Regular Board Meeting on May 11, 2023, Special Board Meeting May 19, 2023, Special Board meeting May 22, 2023, Special Board Meeting May 26, 2023, and Special Board Meeting on May 29, 2023.
- b. Financial Status Report for Year-to-Date Through May 2023.
- c. Payroll – Approve the Payroll Check Register for the Month of May 2023.
- d. Electronic Federal Tax Payment System (EFTPS) & Automated Clearing House (ACH) – Approve transactions for the Payroll Periods May 1, 2023 and May 15, 2023.
- e. Voided and/or missing checks for May 2023.
- f. Cash Disbursement Journal for May 2023.

5. Business Items

- a. Discuss and Consider Approval of General Manager Appointment
- b. Discuss and Consider District Protocols in absence of General Manager
- c. Discuss and Consider contract to hire Randy Davis as a part time Irrigation Consultant
- d. Discuss and Consider contract to hire part time temporary maintenance employees through K and S Staffing
- e. Discuss and Consider contracting a consultant to oversee administration of grants
- f. Discuss and Consider Approval of ACID Investment Policy
- g. Discuss and Consider Summer Internship(s), and possible scope of work
- h. Discuss and Consider Comments to Draft Municipal Service Review (MSR) to be presented for adoption at a future Shasta County Local Agency Formation Commission (LAFCO) Meeting

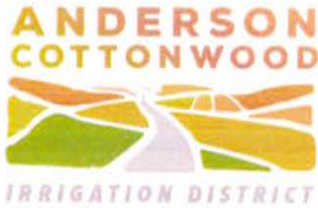
6. Other Business

- a. Operations Manager Report

7. Closed Session

- a. Conference With Legal Counsel – Existing Litigation (Government Code §54956.9(d)(1).)
 - i. *PCFFA v. Raimondo* (USDC E.D. Cal., Case No. 1:20-cv-00431-JLT-EPG)
 - ii. *CNRA v. Raimondo* (USDC E.D. Cal., Case No. 1:20-cv-00426-JLT-EPG)
- b. Conference With Legal Counsel – Anticipated Litigation (Government Code §54956.9(d)(2) or (d)(4)); One Case.

8. Adjourn



Dan Woolery,
President, Division 3

James Rickert,
Vice President, Division 5

Ronnean Lund,
Director, Division 1

Audie Butcher,
Director, Division 2

Steve McCarley,
Director, Division 4

Jered Shipley,
General Manager

Draft Minutes
Regular Board of Directors Meeting
May 11, 2023 – 6 pm

1. Call To Order

Director Woolery called the meeting to order at 6:00 pm

Directors Present:

Butcher, Lund, McCarley, Rickert, Woolery

Staff Present:

General Manager Jered Shipley

Finance Manager Terri White

Operations Manager Ben Duncan

2. Flag Salute

The flag salute was led by Grant Spoon from the Cottonwood 4-H.

3. Public Participation

Time set aside for members of the public that wish to address the Board regarding operations of the District within the jurisdiction of the Board. Individuals are requested to fill out a Speaker Request Form and limit comments to a maximum of three minutes.

Mike Berry – Thanked ACID

Joanna Brown – New Year, rough start and thanked all maintenance personnel and the Board.

Dana Sandifer – issues at Verde Vale neighborhood as well as Hill Street

4. Consent Items

- a. Approve the Minutes of the Regular Board Meeting on March 09, 2023, April 13, 2023 and Special Board Meeting on April 19, 2023.

After discussion regarding changes and suggestions to the Minutes made by Director Woolery, Director Lund made a motion to approve the minutes with the changes discussed. Director Rickert made the Second and the motion passed with a vote of 5-0.

- b. Financial Status Report for Year-to-Date Through April 2023.
- c. Payroll – Approve the Payroll Check Register for the Month of April 2023.
- d. Electronic Federal Tax Payment System (EFTPS) & Automated Clearing House (ACH) – Approve transactions for the Payroll Periods April 15, 2023 and April 30, 2023.
- e. Voided and/or missing checks for April 2023.
- f. Cash Disbursement Journal for April 2023.

Director Butcher made the motion to approve the Consent Agenda, Director McCarley made the second and it passed with a 5-0 vote.

5. Business Items

- a. Consider formation and appointment of Anderson-Cottonwood Irrigation District Finance Subcommittee.

Director Rickert made a motion to appoint Director Butcher and Director Woolery, as well as General Manager Shipley and Finance Manager White to the Finance Committee. Director McCarley made the Second and the motion passed with a 5-0 vote.

6. Other Business

- a. General Manager Report

General Manager Shipley gave a report on the meeting he has attended and the items that are affecting the District.

- b. Operations Manager Report

The operations Manager gave a list of areas that are affected by seepage and a discussion followed.

- c. Update on District Agreements with California Fish and Wildlife, Reclamation District 108 for Thiamine Deficiency Pilot Project at District Diversion Dam

General Manager Shipley updated the Board on the Fish and Wildlife Pilot Project.

7. Closed Session

- a. Public Employee Employment and/or Performance Evaluation (Government Code §54957)

Title – General Manager Evaluation

- b. Conference With Legal Counsel – Existing Litigation (Government Code §54956.9(d)(1).)

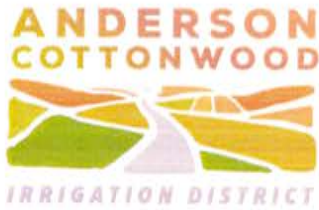
- i. *PCFFA v. Raimondo* (USDC E.D. Cal., Case No. 1:20-cv-00431-JLT-EPG)

- ii. *CNRA v. Raimondo* (USDC E.D. Cal., Case No. 1:20-cv-00426-JLT-EPG)

In closed session, General Manager Shipley submitted a letter of resignation to the Board. On motion made by Lund and seconded by Rickert the Board: (1.) accepted the resignation with Shipley's final day of employment being June 2, 2023, and (2) agreed to advertise the position of General Manager beginning Monday, May 15, 2023, with applications being accepted through Monday, May 22, 2023, and interviews being held during the period May 23, 2023 through May 26, 2023.

8. Adjourn

After returning from closed session Chairman Woolery announced the decision and adjourned the meeting at 9:04 PM.



Dan Woolery,
President, Division 3

James Rickert,
Vice President, Division 5

Ronnean Lund,
Director, Division 1

Audie Butcher,
Director, Division 2

Steve McCarley,
Director, Division 4

Jered Shipley,
General Manager

**Draft Minutes
Special Board Meeting
May 19th, 2023 – 10 am**

1. Call To Order

Director Woolery called the meeting to order at 10:00 am

2. Flag Salute

The flag salute was led by Randy Davis

3. Public Participation

Time set aside for members of the public that wish to address the Board regarding topics within the jurisdiction of the Board. Individuals are requested to fill out a Speaker Request Form and limit comments to a maximum of three minutes.

Dana Sandifer – spoke regarding the flooding in the Verde Ville subdivision.

Andy Lindeman – talked about the flooding on Hill Street

Randy Davis – talked about how the canal has always done the seepage and that it eventually seals up, but that there is no way to know when.

Justin McFarland – talked about the seepage and flooding at his house on Hill Street

Donna Haller, Tree of Life – talked about having 325 children/50 adults and the water is seeping through the parking lot and is worried about the water being contaminated from the septic tanks

Director Wooley adjourned to Closed session at 10:24 am

4. Closed Session

- a. Conference With Legal Counsel – Anticipated Litigation (Government Code §54956.9(d)(2)); One Case.

Director Woolery reconvened back to open session and announced no action was taken in closed session

5. Business Items

- a. Discuss and Consider Landowners' Concerns with Seepage Along Anderson-Cottonwood Irrigation District's Main Canal

Operation Manager, Ben Duncan, presented the Board with a list of problem areas. The Board asked questions and discussed in length options to take to help address these problems. Danny Kerns from "Provost and Prichard talked about going on a tour with them after the meeting to see what is going on in these areas and then would present something to the Board.

- b. Discuss and Formalize the Process for Appointment of Anderson-Cottonwood Irrigation District General Manager Position

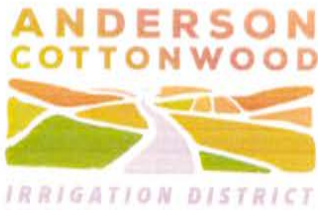
James Rickert made a motion to have the Board set a time and date of Monday, May 22, 2023, at 6:00 pm to review the applicants for the General Manager position. Director Lund made the second and it passed with a 4-0 vote.

6. Other Business

There was no other business.

7. Adjourn

Director Woolery adjourned the meeting at 11:57 am.



Dan Woolery
President, Division 3

James Rickert
Vice President, Division 5

Ronean Lund
Director, Division 1

Audie Butcher
Director, Division 2

Steve McCarley
Director, Division 4

Jered Shipley
General Manager

**Draft Minutes
Special Board Meeting
May 22, 2023**

1. Call To Order

Director Woolery called the meeting to order at 6:00 pm.

Directors present:
Butcher, Lund, McCarley, Rickert, Woolery

Staff Present:
General Manager Jered Shipley

2. Flag Salute

The flag salute was led by a member of the public Woody Clendenden.

3. Public Participation

Time set aside for members of the public that wish to address the Board regarding operations of the District within the jurisdiction of the Board. Individuals are requested to fill out a Speaker Request Form and limit comments to a maximum of three (3) minutes.

None

4. Business Items

- A. Designate Board President Dan Woolery ACID Labor Representative in Negotiations with Unrepresented General Manager Position.

After some discussion and explanation on the role of an ACID Labor Representative and the potential role of an Ad hoc committee to develop questions for General Manager Candidates, Director Lund made a motion to nominate Director Rickert and McCarley to serve as an Ad hoc committee tasked with developing a formal set of questions to upcoming General Manager interviews, that would be approved by District legal counsel and nominated Director Rickert and Director Woolery to serve as ACID Labor Representative in negotiations with unrepresented General Manager Position once a candidate was selected. Director Butcher seconded the motion, and the Board voted 5-0 to approve the motion.

Prior to moving to closed session, Woody Clendenden asked the Board if he could be updated on the current irrigation season, including seepage issues and who has and hasn't received water in the Cottonwood area. General Manager Shipley told Clendenden, he would follow up with him on Tuesday, May 23, to provide an update.

Member of the public Mike Berry added a comment stating that if appropriate environmental reporting and documentation was completed last year, the District would have delivered water mitigating seepage and other issues the District is experiencing this year.

President Woolery announced the meeting would recess into Closed Session at 6:22 pm.

5. Closed Session

- A. Public Employment (California Government Code section 54957) General Manager
- B. Conference with Labor Negotiator (California Government Code section 54957.6) ACID Designated Representatives Rickert and Woolery.

President Woolery reconvened back into Open Session at 7:04 pm and announced the Board had reviewed General Manager applications and resumes, with the intention of setting up interviews as soon as possible.

6. Adjourn

President Woolery adjourned the meeting at 7:07 pm.



Dan Woolery,
President, Division 3

James Rickert,
Vice President, Division 5

Ronnean Lund,
Director, Division 1

Audie Butcher,
Director, Division 2

Steve McCarley,
Director, Division 4

Jered Shipley,
General Manager

Draft Minutes
Special Board Meeting
May 26, 2023 – 9:00 am

1. Call To Order

Director Woolery called the meeting to order at 9:00 am

2. Flag Salute

Flag salute was led by Director McCarley

3. Public Participation

Time set aside for members of the public that wish to address the Board regarding topics within the jurisdiction of the Board. Individuals are requested to fill out a Speaker Request Form and limit comments to a maximum of three minutes.

Ken Britt - asked if the Bureau of Reclamation has acknowledged their responsibility for the problems everyone is now having.

Lance Martin – he lives by the main canal for 17 years and has not seen it like this before. He is flooded and the neighbors are flooded also.

Rebecca Carrillo -feels ACID is aware of the problems and does not feel they are doing enough to take care of them.

Denise Ferkey – her leach fields are seeping into water that the kids are playing in and how the damage is extensive.

Robert Odell – he feels ACID does not want to fix the problem on Fair Oaks. He is having to pay the cost to fund the pump ACID put to pump water.

Director Woolery spoke to the residents and explained briefly what ACID is doing to help solve some of these issues.

4. Open Session

No open session items

5. Closed Session

- a. Public Employment (California Government Code section 54957) General Manager
- b. Conference With Labor Negotiator (California Government Code section 54957.6)
ACID Designated Representatives: Dan Woolery and James Rickert
Unrepresented Employee: General Manager

In closed session, the board interviewed Justin Dahl for the position of General Manager. The interview lasted approximately two hours and consisted of questions from the board to Dahl and questions from Dahl to the board. On motion made by member Lund and second by member McCarley the board voted 5-0 to conduct a reference check on Mr. Dahl and, if such check proved satisfactory, authorize the district negotiators (members Rickert and Woolery) to initiate contract negotiations with Mr. Dahl.

6. Adjourn

The board returned to regular session at approximately 11:30 a.m., announced the above actions and Director Woolery adjourned the meeting at 11:34 am.



Dan Woolery,
President, Division 3

James Rickert,
Vice President, Division 5

Ronnean Lund,
Director, Division 1

Audie Butcher,
Director, Division 2

Steve McCarley,
Director, Division 4

Jered Shipley,
General Manager

Draft Minutes

Special Board Meeting

May 29, 2023 – 6:00 pm

1. Call To Order

Director Woolery called the meeting to order at 6:00 p.m.

Directors Present:

Butcher, Lund, McCarley, Rickert, Woolery

Staff Present:

Finance Manager- Terri White

Administrative Specialist- Colleen Geiger

Operations Manager- Ben Duncan

2. Flag Salute

The flag salute was led by Chris Kelstrom, Shasta County Board of Supervisor

3. Public Participation

Time set aside for members of the public that wish to address the Board regarding topics within the jurisdiction of the Board. Individuals are requested to fill out a Speaker Request Form and limit comments to a maximum of three minutes.

- Bill Guin- Lives at 19436 Jacqueline St for 52 years, and has never seen water this bad. What is the process for this monumental problem?
- Dick Richards- Lives at 19425 Spring Gulch Rd for 45 years, and irrigation is the worst that he has ever seen. Issues; bugs, stagnant water, has been living in his RV. Asked if County can help out, and also wants to know what is going on? Would be nice if we let him know what is happening.
- Mike Berry- Lives on Adobe Rd. for the last 35 years. He stated that if there is anything that he can do to help just let him know.
- Arnold Morin- Was asking about the schedule, said he only got 1 hour of water, then it got shut down. Been waiting already 19 days for the water to go back on. What is the rotation?
- Robert O'Dell- Fair Oaks Drive. How can you fix my property?
- Dana Sandifer- Serious issues, but she appreciates the recent Board meetings to try to alleviate the problems. People down the line are not getting water. Maybe turn off the water for a while to help dry out the canal, or maybe line the canal better.

- Sue Moore- Her property is not as bad as some of the others. She lives at 19295 Spring Gulch Dr. Her neighbors are walking on boards, the bugs are horrendous, a lot of green algae water, and water is running really fast. Has 2 pumps running, so expensive to run, but it does make a huge difference. Septic tanks are also rising.
- Rossanna Hobson- Has lived on 5618 Shady Lane for years. Issues- squirrels, gophers, bugs, and oak trees have come down due to the seepage of water under the road. Big holes, and potholes all over.
- Denise Ferkey- Bath tub does not drain, the septic is full, the water smells like a sewer, neighbor's house is swamped under their guest house. They have dug trenches but it hasn't helped much. Can't take showers. She is lucky to have an RV to stay in. Address- 19372 Lucille
- Darin Hale- 1457 Fair Oaks Dr. Front lawn is swamped, standing water under the house. He complimented Ben for helping him out with his issues. Said it is the Reclamations fault for holding back the water.
- Jennifer Doolittle- Thanked Ben for his help. The bottom where she lives isn't as bad as the others.
- James Boyd- Can ACID use our wells to deliver water to the South end?
- Lori Shaw- The damage is caused by the Governor. Damage is done to her ditch. The Sacramento River is so important- canal is also so important. Says we should be fixing problems while water is still in the canal. She has replanted fields and they are dying because rotation is taking so long.
- Kyle Hill- Rotation, what is going on? The backfield is dead, no communication, when will the water get turned back on? He has 10 acres, and another 7 acres.

4. Open Session

- a. Discuss and consider actions the District can undertake to attempt to assist landowners in mitigating high groundwater table and resulting impacts throughout the District.

Director Woolery went over the Agenda item 4A and proposed ACID response. We are attempting to be as helpful as we can. Asked for public comment to address the solutions.

- Mike- Seepage- we don't know that yet?
- Christine Mickelson- Not in the flood zone, but all of her trees are dead. The water tables are up.
- Dick Richards- This should be between ACID and the County to fix all of the water issues.
- Director Woolery stated that General Manager Shipley has met with the Director of Public Works to discuss the standing water.
- Berry Spires- Lives on Churn Creek bottom, schedules are way out of sequence, can't get any water out 21 days without water. Upstream was not able to get it. We need a debris crew and a cleanup crew.
- Lance Martin- 19347 Jacqueline- 60-70 acres between the 5 of his neighbors. They back up against the flume. Is appreciative of the efforts of ACID to address the problems.
- Public comment was also made that they need help with spraying for the mosquitos/bugs.

Regarding Engineering Contracts

James Rickert said that the situation is devastating and that we are in crisis mode. Mentioned that we need to check with the County to see if there is any disaster relief. We need to reach out to our elected officials, what help can they provide?

Public comment was made that they also need help with the spraying of the bugs/mosquitos.

Director Ronnean Lund made the motion to approve the Provost & Pritchard engineering contract pending approval by the legal staff. Director Audie Butcher made the second, and it passed with a 5-0 vote.

Regarding Assistance Program Policy

Director Audie Butcher questioned the number of days listed in the agreement and suggested allowing leeway for the limit of 14 days, and 30 days.

Director Steve McCarley did not agree to pump the septic out. Said that it has been a history of the canal.

Director Ronnean Lund said it is contingent on staff approval, case by case basis

Director James Rickert agreed with Steve McCarley about not pumping the septic tanks out as it could cause more damage. Said only have so many staff members to address all the problems, and that we need to come up with a solution for more help.

More Public comments:

- Maureen- Interested in pumping but needs help. Has 4 kids, and will need a porta-potty.
- Dana- Can't use her septic tank, said she would like it pumped out. She is not able to go into her house right now, and every year when the canal is full. Directory Woolery said that we are here to help. Director James Rickert said that he will be using an intern to help out as well. Said that we will strike this issue for now and come back to it later. Director Ronnean Lund asked the public if we should do a list, of who is interested in porta potty's.
- Chris Kelstrom commented that ACID has been having issues all year long and that he was reluctant to help as it is the history of ACID to have flooding problems. Said he will call the Public Works Director to discuss the issues with him. That we will all work together to get this done.

A motion was made by Director McCarley to delete #2 from the groundwater policy, and to adopt the housing stipend with the wording corrected to say, "reimburse the cost for the housing stipend for a maximum of \$125 a day," with the appropriate back-up documentation. Director Lund made the second, and it was passed with a 5-0 vote.

5. Adjourn- 7:30 p.m.

Anderson Cottonwood Irrigation District

2023 Financial Status Report

Month Ending May 2023

Revenues						
Account Number	Budget Item	Month To Date	Year To Date	2023 Approved Budget	Percent Used	Balance Available

General						
4111	Water Sales / Prior Year	\$0	\$0	\$0	0%	\$0
4112	Water Sales / Business	\$0	\$0	\$8,500	0%	\$8,500
4114	Water Sales / Irrigation	\$79,747	\$99,428	\$20,000	497%	(\$79,428)
4115	Water Transfer / CVP	\$0	\$0	\$1,543,000	0%	\$1,543,000
4117	Water Transfer / Base Supply	\$0	\$0	\$0	0%	\$0
4934	Penalty Revenue	\$0	\$0	\$2,000	0%	\$2,000
4971	Surplus Equipment	\$0	\$0	\$0	0%	\$0
4980	Misc. Revenue	\$0	\$14,273	\$0	0%	\$0
4984	Drainage Revenue	\$0	\$0	\$0	0%	\$0
4991	Contract/Project Income	\$0	\$0	\$0	0%	\$0
4995	Drought Relief	\$0	\$0	\$0	0%	\$0
	Sub-Total	\$79,747	\$113,701	\$1,573,500	7%	\$1,474,072

Account Number	Budget Item	Month To Date	Year To Date	2023 Anticipated Budget	Percent Realized	Total Revenue
----------------	-------------	---------------	--------------	-------------------------	------------------	---------------

Property Tax & Interest						
4920	Interest Revenue	\$0	\$77,782	\$40,000	194%	\$77,782
4930	Prop. Taxes / Shasta	\$217,400	\$217,466	\$558,000	39%	\$217,466
4931	Prop. Taxes / Tehama	\$21,453	\$21,453	\$46,500	46%	\$21,453
	Sub-Total	\$238,853	\$316,701	\$644,500	49%	\$316,701

	Total Revenues	\$318,600	\$430,402	\$2,218,000	19%	\$1,790,773

Anderson Cottonwood Irrigation District
2023 Financial Status Report
Month Ending May 2023

Expenditures

Account Number	Budget Item	Month To Date	Year To Date	2023 Approved Budget	Percent Used	Balance Available
Salaries & Benefits						
5010	Reg. Salaries (Admin)	\$30,188	\$106,543	\$311,750	34%	\$205,207
5012	Overtime (Admin)	\$0	\$88	\$0	0%	(\$88)
5014	Retirement (Admin)	\$781	\$3,906	\$17,700	22%	\$13,794
5015	Social Security (Admin)	\$1,129	\$5,280	\$0	0%	\$0
5016	Workers Comp. (Admin)	\$0	\$171	\$1,850	9%	\$1,679
5017	Unemployment Ins. (Admin)	\$0	\$868	\$2,000	43%	\$1,132
5018	Medicare (Admin)	\$264	\$1,235	\$4,550	27%	\$3,315
5019	Health Insurance (Admin)	\$0	\$8,840	\$61,500	14%	\$52,660
5110	Reg. Salaries (T&D)	\$33,972	\$140,719	\$512,000	27%	\$371,281
5111	Water Operator Milage	\$0	\$0	\$36,000	0%	\$36,000
5112	Overtime (T&D)	\$21,521	\$23,337	\$6,000	389%	(\$17,337)
5114	Retirement (T&D)	\$2,189	\$7,250	\$40,000	18%	\$32,750
5115	Social Security (T&D)	\$4,617	\$13,999	\$31,500	44%	\$17,501
5116	Workers Comp. (T&D)	\$0	\$15,093	\$82,000	18%	\$66,907
5117	Unemployment Ins. (T&D)	\$281	\$2,667	\$5,000	53%	\$2,333
5118	Medicare (T&D)	\$460	\$1,624	\$7,500	22%	\$5,876
5119	Health Ins. (T&D)	\$0	\$29,435	\$219,000	13%	\$189,565
	Sub-Total	\$95,402	\$361,055	\$1,338,350	27%	\$977,295

Anderson Cottonwood Irrigation District
2023 Financial Status Report
Month Ending May 2023

Expenditures

Account Number	Budget Item	Month To Date	Year To Date	2023 Approved Budget	Percent Used	Balance Available
Administration						
6000	Vehicle Mileage	\$0	\$0	\$0	0%	\$0
6001	Medical Exp. / Supplies	\$0	\$1,075	\$1,200	90%	\$125
6002	Travel / Training Expense	\$80	\$527	\$10,000	5%	\$9,473
6003	Office Supplies / Expense	\$3,726	\$8,873	\$11,500	77%	\$2,627
6004	Office Equip. & Maintenance	\$0	\$0	\$2,600	0%	\$2,600
6005	Association Dues	\$0	\$14,855	\$25,000	59%	\$10,145
6006	Public Notices	\$1,667	\$1,667	\$500	0%	(\$1,167)
6007	Election Expense	\$0	\$4,978	\$0	0%	(\$4,978)
6008	Legal Fees / Expense	\$7,997	\$17,590	\$50,000	35%	\$32,410
6009	SRSC Corporation	\$0	\$21,275	\$22,000	97%	\$725
6010	Maintenance Agreements	\$2,399	\$3,968	\$15,000	26%	\$11,032
6011	CV Stratagies	\$0	\$21,810	\$60,000	36%	\$38,190
6012	Vehicle Insurance	\$0	\$6,881	\$5,000	138%	(\$1,881)
6013	Management Expense Acct.	\$0	\$42	\$1,000	4%	\$958
6014	Liability Claims	\$0	\$0	\$1,000	0%	\$1,000
6015	Property / Liability Insurance	\$0	\$33,972	\$30,100	113%	(\$3,872)
6016	Permit Fees	\$0	\$10,838	\$12,000	90%	\$1,162
6017	County Taxes / Assessments	\$0	\$0	\$5,000	0%	\$5,000
6018	Consultant Services	\$878	\$878	\$75,000	1%	\$74,122
6019	Audit / Accounting Services	\$0	\$0	\$11,000	0%	\$11,000
6020	Web Site Revamp	\$2,610	\$3,765	\$15,000	25%	\$11,235
6023	Utilities	\$2,434	\$10,058	\$20,000	50%	\$9,942
6024	Misc. Expense	\$1,012	\$1,012	\$1,000	101%	(\$12)
6026	District GIS	\$0	\$0	\$5,000	0%	\$5,000
6027	SGMA	\$0	\$0	\$7,600	0%	\$7,600
	Sub-Total	\$22,803	\$164,064	\$386,500	42%	\$222,436

Anderson Cottonwood Irrigation District

2023 Financial Status Report

Month Ending May 2023

Account Number	Budget Item	Month To Date	Year To Date	2023 Approved Budget	Percent Used	Balance Available
General Maintenance						
7000	Fuels	\$4,054	\$12,562	\$40,000	31%	\$27,438
7001	Equip Rents & Leases	\$0	\$0	\$10,000	0%	\$10,000
7002	Light Vehicles	\$0	\$2,715	\$10,000	27%	\$7,285
7003	Heavy Vehicles	\$1,235	\$2,447	\$10,000	24%	\$7,553
7004	Light Equipment	\$0	\$3,535	\$5,000	71%	\$1,465
7005	Heavy Equipment	\$1,661	\$4,937	\$10,000	49%	\$5,063
7007	Personal Supplies & Equip.	\$0	\$0	\$500	0%	\$500
7008	Maintenance Supplies	\$2,313	\$12,712	\$25,000	51%	\$12,288
7009	Buildings / Yard Maintenance	\$713	\$2,278	\$2,000	114%	(\$278)
7010	Small Tools & Equipment	\$0	\$583	\$4,000	15%	\$3,417
	Sub-Total	\$9,976	\$41,769	\$116,500	36%	\$74,731
Canal Maintenance & Operations						
8000	SCADA Maintenance	\$40	\$3,623	\$3,000	121%	(\$623)
8001	Diversion Facilities Maint.	\$7,669	\$19,702	\$14,000	141%	(\$5,702)
8002	Contracted Services	\$0	\$4,976	\$35,000	14%	\$30,024
8003	Chemicals	\$0	\$0	\$15,000	0%	\$15,000
8004	Canal Maintenance & Exp.	\$70,353	\$174,227	\$450,000	39%	\$275,773
8005	Pump Maintenance	\$807	\$1,675	\$30,000	6%	\$28,325
8006	Utilities / Pumping	\$6,329	\$6,837	\$135,000	5%	\$128,163
8007	Project Water Costs / USBR	\$0	\$0	\$1,120,000	0%	\$1,120,000
8008	Water Rights Protection	\$1,598	\$21,809	\$80,000	27%	\$58,191
8009	Conveyance System	\$0	\$0	\$0	0%	\$0
8010	Water Transfer / Base Supply	\$3,403	\$5,166	\$0	0%	(\$5,166)
8012	Storm Damage Expense	\$1,575	\$128,074	\$0	0%	(\$128,074)
	Sub-Total	\$86,796	\$366,089	\$1,882,000	19%	\$1,515,911

Anderson Cottonwood Irrigation District
2023 Financial Status Report
Month Ending May 2023

Balance Summary

	Month To Date	Year To Date	2023 Approved Budget	Percent Used	Balance Available
Total Expenditures	\$214,977	\$932,977	\$3,723,350	25%	\$2,790,373
Total Revenues	\$318,600	\$430,402	\$2,218,000	19%	\$1,790,773

Capital Improvement

	Month To Date	Year To Date	2023 Approved Budget	Percent Used	Balance Available
1112 Land	\$0	\$0	\$0	0%	\$0
1114 Pumps	\$22,000	\$26,986	\$150,000	18%	\$123,014
1116 Trans & Distribution Plant	\$0	\$0	\$0	0%	\$0
1117 Equipment (Machinery)	\$0	\$0	\$325,000	0%	\$325,000
1118 Auto & Trucks	\$0	\$169,370	\$175,000	97%	\$5,630
1119 Buildings	\$0	\$0	\$10,000	0%	\$10,000
1120 Office Furniture & Equipment	\$0	\$0	\$25,000	0%	\$25,000
1123 Yard Improvement	\$0	\$0	\$0	0%	\$0
1124 Canal Lining & Pipe	\$710	\$68,058	\$350,000	19%	\$281,942
1125 Canal Safety Project	\$0	\$0	\$0	0%	\$0
1126 Main Canal Metering	\$0	\$0	\$0	0%	\$0
1127 Main Dam Improvement	\$0	\$0	\$0	0%	\$0
1132 Fish Screens	\$0	\$0	\$0	0%	\$0
1133 Fish Ladders	\$0	\$0	\$0	0%	\$0
1134 SCADA Equipment	\$0	\$0	\$0	0%	\$0
1135 Groundwater Program	\$0	\$0	\$0	0%	\$0
Total	\$22,710	\$264,414	\$1,035,000	26%	\$770,586

Anderson Cottonwood Irrigation District
2023 Financial Status Report
Month Ending May 2023

	L.A.I.F.	\$12,019,615				
	TCB Checking	\$388,210				
	Petty Cash	\$100				
	Imprest Cash	\$200				
	TCB Money Market Acct.	\$1,735,013				
	Total Cash	\$14,143,138				

Breakdown Of Funds on Deposit

	General Fund	\$12,917,802				
	Equipment Reserve	\$199,961				
	Cap. Improvement Fund	\$770,586				
	Drainage Fund	\$25,000				
	Water Rights Protection	\$229,789				
	Total Cash	\$14,143,138				

Anderson Cottonwood Irrigation District
Payroll Register
 For the Period From May 1, 2023 to May 31, 2023

Filter Criteria includes: Report order is by Check Date. Report is printed in Detail Format.

Employee ID Employee Reference Date	Pay Type	Pay Hrs	Pay Amt
22-04 Shipley, Rion J. 20119 5/1/23	Reg_Salarie		5,208.34
12 White, Teresa L. 20120 5/1/23	Finance_Ma	87.00	3,045.00
22-03 Duncan, Benjamin 20121 5/1/23	Reg_Salarie	88.00	2,833.33
23-01 Hatfield-Trejo, Katherine R. 20122 5/1/23	Admin_Spe	80.00	1,882.40
23 Passmore, Scott C. 20123 5/1/23	Main_Sup Damm Overtime	64.00 16.00 47.00	1,683.20 499.68 1,854.15
33 Vega, Phillip 20124 5/1/23	Ops_Sup Damm Overtime	76.00 4.00 26.00	1,950.16 121.88 1,000.74
21-04 Reed-Powers, Alister C. 20125 5/1/23	WO_Mainl Damm Overtime	62.00 14.00 27.00	1,249.30 335.02 816.21
21-09 Wilson, Kyle D. 20126 5/1/23	WO_Mainl Damm Overtime Damm_OT	50.00 14.50 34.00 0.50	1,007.50 346.99 1,027.82 17.95
21-11 Jensen, Jason A. 20127 5/1/23	Equip_Oper Damm Overtime Damm_OT	63.00 17.50 8.00 0.50	1,539.72 507.85 293.28 21.77
23-02 Post, Cory P. 20128 5/1/23	WO_Mainl Damm Overtime Damm_OT	69.00 11.00 39.00 0.50	1,390.35 263.23 1,178.97 17.95

Payroll Register

For the Period From May 1, 2023 to May 31, 2023

Filter Criteria includes: Report order is by Check Date. Report is printed in Detail Format.

Employee ID Employee Reference Date	Pay Type	Pay Hrs	Pay Amt
23-03 Moghadam, Sam C. 20129 5/1/23	WO_MainI Darn Overtime Darn_OT	61.00 19.00 37.50 1.00	1,229.15 454.67 1,133.63 35.90
23-04 Bohannon, Robert C. 20131 5/1/23	WO_MainI Darn Overtime Holiday	71.00 8.00 9.00 0.50	1,430.65 191.44 272.07 10.08
21-09 Wilson, Kyle D. 20132 5/5/23	WO_MainI Vacation	37.00 36.80	745.55 741.52
23-01 Hatfield-Trejo, Katherine R. 20133 5/10/23	Admin_Spe	64.00	1,505.92
22-04 Shipley, Rion J. 20134 5/16/23	Reg_Salarie		5,208.34
12 White, Teresa L. 20135 5/16/23	Finance_Ma	93.00	3,255.00
22-03 Duncan, Benjamin 20136 5/16/23	Reg_Salarie	88.00	2,833.33
21-11 Jensen, Jason A. 20137 5/16/23	Equip_Oper Overtime	88.00 7.25	2,150.72 265.79
23 Passmore, Scott C. 20138 5/16/23	Main_Sup Overtime	88.00 81.00	2,314.40 3,195.45
30 Poljak, Jeff B. 20139	WO_MainII	2.00	42.32

Anderson Cottonwood Irrigation District
Payroll Register

For the Period From May 1, 2023 to May 31, 2023

Filter Criteria includes: Report order is by Check Date. Report is printed in Detail Format.

Employee ID Employee Reference Date	Pay Type	Pay Hrs	Pay Amt
5/16/23			
33	Ops_Sup	80.00	2,052.80
Vega, Phillip	Overtime	50.00	1,924.50
20140	Sick_Leave	8.00	205.28
5/16/23			
21-04	W/O_MainI	88.00	1,773.20
Reed-Powers, Alister C.	Overtime	67.00	2,025.41
20141			
5/16/23			
23-02	W/O_MainI	88.00	1,773.20
Post, Cory P.	Overtime	77.00	2,327.71
20142			
5/16/23			
23-03	W/O_MainI	88.00	1,773.20
Moghadam, Sam C.	Overtime	100.50	3,038.12
20143			
5/16/23			
23-04	W/O_MainI	88.00	1,773.20
Bohannon, Robert C.	Overtime	35.50	1,073.17
20144			
5/16/23			
Summary Total			
5/1/23 thru 5/31/23	Reg_Salarie	176.00	16,083.34
	Vacation	36.80	741.52
	Dam	104.00	2,720.76
	Overtime	645.75	21,427.02
	W/O_MainI	702.00	14,145.30
	W/O_MainII	2.00	42.32
	Ops_Sup	156.00	4,002.96
	Equip_Oper	151.00	3,690.44
	Dam_OT	2.50	93.57
	Finance_Ma	180.00	6,300.00
	Holiday	0.50	10.08
	Admin_Spe	144.00	3,388.32
	Sick_Leave	8.00	205.28
	Main_Sup	152.00	3,997.60
Report Date Final Total	Reg_Salarie	176.00	16,083.34
5/1/23 thru 5/31/23	Vacation	36.80	741.52
	Dam	104.00	2,720.76
	Overtime	645.75	21,427.02
	W/O_MainI	702.00	14,145.30
	W/O_MainII	2.00	42.32

Anderson Cottonwood Irrigation District
 Payroll Register

For the Period From May 1, 2023 to May 31, 2023

Filter Criteria includes: Report order is by Check Date. Report is printed in Detail Format.

Employee ID Employee Reference Date	Pay Type	Pay Hrs	Pay Amt
	Ops_Sup	156.00	4,002.96
	Equip_Oper	151.00	3,690.44
	Dam_OT	2.50	93.57
	Finance_Ma	180.00	6,300.00
	Holiday	0.50	10.08
	Admin_Spe	144.00	3,388.32
	Sick_Leave	8.00	205.28
	Main_Sup	152.00	3,997.60

Electronic Federal Tax Payment System Transactions (EFTPS)					
Federal Payroll Taxes					
Date	Payroll Period	Amount	Comments		
5/1/2023	4/16/2023 - 4/30/2023	\$8,600.43	EFTPS for P/R taxes		
5/16/2023	5/01/2023 - 5/15/2023	\$11,335.00	EFTPS for P/R taxes		
Automated Clearing House (ACH)					
State Payroll Taxes					
5/1/2023	4/16/2023 - 4/30/2023	\$2,274.46	ACH for P/R taxes		
5/16/2023	5/01/2023 - 5/15/2023	\$2,645.09	ACH for P/R taxes		
Voiced and/or Missing Checks					
Check #	Issued To:	Amount	Check Date	Comments	Date Voided
20130	Robert Bohannon	1,292.38	5/1/2023	Written for wrong amount	5/1/2023
30396	N/A	N/A		Fed thru printer wrong	

Anderson Cottonwood Irrigation District
Cash Disbursements Journal
For the Period From May 1, 2023 to May 31, 2023

Filter Criteria includes: Report order is by Date. Report is printed in Detail Format.

Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
5/1/23	30370	5014	retirement for JS,	390.63	
		1308	05/01/2023 payperiod Edward Jones - Ben Swim		390.63
5/1/23	30371	2226	4576 W/H for SP,	75.00	
		1308	5/1/2023 payroll Variable Annuity Life Ins. Co.		75.00
5/2/23	30372	2224	child support	375.87	
		1308	CA State Disbursement Unit		375.87
5/5/23	30373	7008	hammer, bolts, cutting wheel, pipe wrench, grease gun, gloves, buckets of chain,	1,293.06	
		1308	Fasteners INC		1,293.06
5/5/23	30374	8005	3 - 15 gal. food grade 46 oi-1Chum Creek pumps	403.25	
		1308	JMB Oil		403.25
5/5/23	30375	8010	2021 water transfer and 2023 water transfer	1,423.25	
		1308	MBK Engineers		1,423.25
5/5/23	30376	8001	rental of skidseer	2,885.98	
		1308	Nor Cal Rentals		2,885.98
5/5/23	30377	6003	waste basket, rubber bands	12.74	
		1308	Office Depot Business Credit		12.74
5/5/23	30378	1124	PVC pipe for Scroggins piping project	710.45	
		1308	PACE Supply		710.45
5/5/23	30379	7008	concrete bag	25.82	
		1308	Payless Building Supply		25.82
5/5/23	30380	8000	monthly fee for SCADA / Bonnyview	40.16	
		1308	City Of Redding		40.16
5/5/23	30381	7009	office cleaning from March 12 - April 30	572.60	
		1308	Sarah's Scottish Maids		572.60
5/5/23	30382	7008	diagnose and repair welder	426.44	
		1308	Shasta Welding Supply		426.44
5/5/23	30383	2222		1,541.00	
		1308	Teamsters Local No. 137		1,541.00
5/5/23	30384	5114	retirement for April Western Conf. Team.	2,003.62	
		1308	Pension		2,003.62
5/10/23	30385	6003	name plate for Operations Manager and new Administrative Specialist	38.33	
		1308	Anderson Trophies and Awards		38.33
5/10/23	30386	6003	monthly copies for office	384.75	
		1308	Carrel's Office Machines		384.75
5/10/23	30387	8001	baser rock for diversion facilities	418.28	
		1308	Loucks Landscape Supply		418.28

Anderson Cottonwood Irrigation District
Cash Disbursements Journal
For the Period From May 1, 2023 to May 31, 2023

Filter Criteria includes: Report order is by Date. Report is printed in Detail Format.

Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
5/10/23	30388	6010 1308	monthly service plan Obsidian IT	799.50	799.50
5/10/23	30389	8006 1308	monthly power for Churn Creek Pumps City Of Redding	5,817.95	5,817.95
5/10/23	30390	7003 1308	repair on dump trunk, never received invoice until May 2023 Redding-Eureka Freightliner	1,235.57	1,235.57
5/10/23	30391	8004 8004 1308	Fair Oaks drainage problem Schuppert Excavating	3,937.50	3,937.50
5/10/23	30392	6003 6024 6023 7008 8001 1308	Software renewal, pens, Fat Cow, Pitney Bowes, Puretalk final bill tables, chairs, ice chests, supplies for BBQ at Diversion Facilities monthly charge for Linxup Ace Hardware, tape supplies from West Marine for Dam Tri Counties Bank	2,675.92 1,012.32 289.63 6.43 729.21	4,713.51
5/10/23	30393	8004 1308	spraying herbicides to main canal and Churn Creek pumps Washburn Ag	23,125.00	23,125.00
5/10/23	30394	6023 1308	monthly garbage service for office/shop Waste Management	138.50	138.50
5/10/23	30395	6002 1308	registration for Board Member Lund Association California Water Agencies	80.00	80.00
5/16/23	30397	8001 1308	rotex-38 spider orange, thermal couplier for dam Applied Industrial Technologies	282.32	282.32
5/16/23	30398	5014 1308	retirement for JS, 5/15/2023 payroll Edward Jones - Ben Swim	390.63	390.63
5/16/23	30399	2226 5114 1308	retirement withholding, BD, 5/15/2023 payroll retirement for BD, 5/15/2023 payroll Edward Jones - Ben Swim	131.25 165.53	296.78
5/16/23	30400	2226 1308	457 W/H for SP, 5/15/2023 payroll Variable Annuity Life Ins. Co.	75.00	75.00
5/24/23	30421	8004 1308	excavator work Churn Creek, Weeks lane, Wyndam Lane, Knighton Road, Della Lane Gabe Ross Construction	13,650.00	13,650.00
5/24/23	30422	7009	office cleaning for 2	6,387.50	

Anderson Cottonwood Irrigation District
Cash Disbursements Journal
For the Period From May 1, 2023 to May 31, 2023

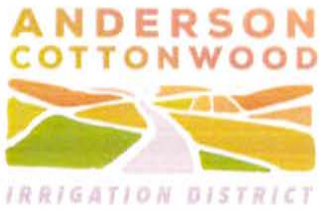
Filter Criteria includes: Report order is by Date. Report is printed in Detail Format.

Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
		1308	weeks Sarah's Scottish Maids		6,387.50
5/24/23	30423	8004	repair damaged flume per plans at on site meeting	3,330.00	
		1308	SK Construction		3,330.00
5/24/23	30424	8008	NRDC	121.15	
		8008	2019 PCFFA lit - ACID	668.07	
		1308	Somach Simmons & Dunn		789.22
5/24/23	30425	6023	monthly cell phone charges/service	1,068.35	
		1308	Verizon		1,068.35
5/24/23	30426	6018	Lavoie encroachment permit and site visit	877.86	
		1308	Vestra Resources, Inc.		877.86
5/24/23	30427	8004	charges for dump runs with trash	969.92	
		1308	Waste Management		969.92
5/24/23	30428	8004	clean with crews, chipper, dump trailer for Fair Oaks Drive seepage	8,424.00	
		1308	Wild West Reforesters, INC		8,424.00
5/25/23	30401	4114	refund of 2023 irrigation	25.00	
		1308	Stephen Bianco		25.00
5/25/23	30402	6023	water service for April/office/shop	14.24	
		1308	City Of Anderson		14.24
5/25/23	30403	8001	diagnose and order parts for trash and screen seeps at dam	3,074.20	
		1308	Bullert Industrial Electric, INC		3,074.20
5/25/23	30404	6020	monthly work on web site revamp	2,610.00	
		1308	C V Stratagies		2,610.00
5/25/23	30405	7000	monthly gasoline/diesel fuel charges	4,053.63	
		1308	Flyers Energy, LLC		4,053.63
5/25/23	30406	8004	repairs made on Balls Ferry Road, pavement, pipe, concrete	7,437.47	
		1308	Allen Gill Cnstruction, Inc		7,437.47
5/25/23	30407	6003	business cards for water operators, GM and Operations Manager	568.43	
		1308	Harvest Printing		568.43
5/25/23	30408	7008	grease for shop	98.91	
		8005	oil for Churn Creek pumps	403.25	
		1308	JMB Oil		502.16
5/25/23	30409	8004	grate clean out, Pioneer and Churn Creek by City Center	1,035.00	
		1308	K & K Equipment, Inc.		1,035.00
5/25/23	30410	8010	2023 water transfer effort	1,980.50	
		1308	MBK Engineers		1,980.50

Anderson Cottonwood Irrigation District
Cash Disbursements Journal
For the Period From May 1, 2023 to May 31, 2023

Filter Criteria includes: Report order is by Date. Report is printed in Detail Format.

Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
5/25/23	30411	6008	General, emails with GM/Board President, personnel, contracts, calls,	7,996.48	
		8008	Water Rights protection	808.50	
		1308	Minasian Law LLP		8,804.98
5/25/23	30412	7008	drinking water for office/shop	43.35	
		1308	Mt. Shasta Spring Water		43.35
5/25/23	30413	8004	pump rental (1)	2,056.75	
		1308	Multiple Pump Services		2,056.75
5/25/23	30414	7008	10 bags rapid set cement for shop	419.24	
		1308	Pacific Supply - Redding		419.24
5/25/23	30415	6023	monthly power for office/shop	923.39	
		8006	monthly power for Well #1	45.87	
		8006	monthly power for Shasta Ranch	22.05	
		8006	monthly power for Well # 2	284.79	
		8006	Monthly power for Perrys pond	22.05	
		8006	Dymesich pond	22.05	
		1308	Linda Lane pump Pacific Gas & Electric	29.20	1,349.40
5/25/23	30416	7005	backhoe parts	280.90	
		1308	Powerplan - OIB		280.90
5/25/23	30417	8012	Flume repair plant and meeting	1,575.71	
		1308	Provost & Pritchard		1,575.71
5/25/23	30418	7005	repairs to backhoe, we supplied parts	1,380.00	
		1308	Ray's Truck & Equipment Repair		1,380.00
5/25/23	30419	6006	public notice/SVRWMP	1,667.40	
		1308	Record Searchlight		1,667.40
5/25/23	30420	8001	monthly power for Diversion Facilities	279.49	
		8006	monthly power for Progress Drive pump		
		1308	City Of Redding		279.49
5/25/23	30429	8004	excavtor Trefoil to Locust, clear and then to Jim Dandy	6,387.50	
		1308	Schuppert Excavating		6,387.50
5/26/23	30422V	7009	office cleaning for 2 weeks		6,387.50
		1308	Sarah's Scottish Maids	6,387.50	
5/26/23	30430	7009	office cleaning for two weeks	140.00	
		1308	Sarah's Scottish Maids		140.00
	Total			<u>141,483.19</u>	<u>141,483.19</u>



Dan Woolery,
President, Division 3

James Rickert,
Vice President, Division 5

Ronnean Lund,
Director, Division 1

Audie Butcher,
Director, Division 2

Steve McCarley,
Director, Division 4

Jered Shipley,
General Manager

Date: June 8, 2023 Agenda Item No. 5 A

<p>Agenda Title: Discuss and Consider Approval of General Manager Appointment</p>
<p>Discussion: The Anderson-Cottonwood Irrigation District Board of Directors held a Special Board Meeting on May 26, to interview a candidate for the open General Manager position. After the interview was complete, two previously appointed board members conducted phone calls to the candidate's references. At the time, it was recommended to draft a contract and offer the position to the candidate pending full Board approval.</p>
<p>Fiscal Impact: See attached contract</p>
<p>Recommendation: N/A</p>
<p>Attachments: Draft General Manager Contract</p>

**AGREEMENT FOR EMPLOYMENT OF GENERAL MANAGER FOR
ANDERSON-COTTONWOOD IRRIGATION DISTRICT**

This agreement, made as of June 8, 2023, at Anderson, California, between the Anderson-Cottonwood Irrigation District, hereafter called "District" or "ACID," and Justin Dahl, hereafter called "Dahl" or "Employee", provides as follows:

RECITALS

ACID is an irrigation district formed and existing pursuant to Division 11 of the California Water Code and has the powers to enter into necessary contracts, fix salaries, and set forth terms and conditions for retention of employees of ACID.

In consideration of the mutual covenants and promises of the parties hereto, Dahl and Anderson-Cottonwood Irrigation District agree as follows:

1. TERM: ACID retains Dahl to perform the services of General Manager of ACID for the term of _____, 2023, to and through _____, 2026 unless terminated earlier as set forth below.

2. DAHL'S DUTIES:

(a) Dahl will report to the Board of Directors of ACID and shall carry out and implement the Board's policies and directives as established by said Board.

(b) The Board of Directors does vest in Dahl direct supervisory control over the employees, operations, and administration of the District, subject to the policies and directives established by said Board. Dahl will report regularly to the Board as to the condition of the District's operations and administration.

(c) In connection with the General Manager's responsibilities, Dahl shall prepare a proposed annual budget of the District and all operating units thereof. Upon review and approval by the Board, Dahl shall direct the operations of the District in a manner consistent with said budget. Dahl may work with, or be part of, a committee established by the Board as may be deemed appropriate by said Board.

(d) Dahl shall, further, as directed by the Board, negotiate in the meet-and-confer process with the employees of the District for the purposes of determination of wages, hours of work, and terms and conditions of employment. Results of said negotiations shall not be binding on the District until reviewed and approved by the Board of Directors.

(e) All expenditures of the District shall be approved by the Board as part of its budget review and approval, and Dahl shall not have independent authority to expend District funds, except as expressly authorized by the Board.

(f) In connection with personnel management, Dahl shall be responsible for supervision, direction, discipline, promotion, demotion, hiring, and termination of all District employees.

(g) Dahl shall initially determine, in accordance with existing or future grievance and/or meet-and-confer agreements, the appropriate disciplinary action to be taken in connection with any District employee and will conduct any required pre-disciplinary hearings and make and issue determinations, as may be required in accordance with policies and procedures of the District, the applicable labor agreement, and laws, rules, and regulations in force and effect governing terms and conditions of employment.

(h) Dahl shall, as required by the Board, represent the District at conferences, conventions, hearings, administrative procedures, and litigation and settlement conferences, as may be necessary to represent the District and to protect its interests. Dahl may, at Dahl's discretion, consult with and give direction to said agents, consultants, attorneys, advisors, or other individuals as may be deemed necessary by Dahl in order to carry out his responsibilities to the District.

3. SALARY: District shall compensate Dahl for the performance of service as General Manager of the District, as follows:

(a) An annual salary of \$150,000 payable in installments at the same time as other employees of the District are paid and subject to customary withholdings. In addition, Dahl's salary shall be reviewed at the time of his initial and succeeding evaluations. Upon successful completion of six months employment, Dahl will be eligible for a \$5,000 salary increase, for a new annual salary of \$155,000. Upon successful completion of one full year of employment, Dahl will be eligible for an additional salary increase of \$10,000, for a new annual salary of \$165,000. Any salary change following the conclusion of an evaluation is within the sole discretion of the Board of Directors. Any salary adjustment pursuant to this paragraph must be memorialized in writing and approved by the Board of Directors during the open session of a regular board meeting.

(b) Dahl shall not be entitled to overtime pay, compensatory time off, or other compensation or reimbursement for hours worked for the District, no matter when said work is performed, nor how much time is required, it being expressly understood that the compensation and benefits provided to Dahl will be the total compensation for the services and duties to be performed by Dahl in carrying out his responsibilities hereunder.

4. HEALTH BENEFITS: The District will contribute the full premium cost of the family plan on District provided health benefits.

5. VACATION: Dahl shall accrue paid vacation at the rate of .83 days per pay period and shall accrue no more than sixty (60) days. All vacation must be scheduled in advance and approved by the Board President. Once this maximum accrual level is reached, Dahl will cease accruing additional vacation until his balance falls below this level.

6. SICK LEAVE: Dahl shall accrue illness leave at the rate of .50 days per pay period. Accrued unused sick leave shall not be compensable upon separation.

7. HOLIDAYS: Dahl shall be entitled to all paid holidays approved by the Board for District employees.

8. RETIREMENT BENEFITS: The District will make contributions of an amount equal to 7.5% of Dahl's annual base salary to be made to a retirement fund of his choice.

9. DISTRICT VEHICLE: The District shall provide Dahl with a District vehicle to be used in the performance of his duties, commuting and minor incidental personal use (e.g., picking up or dropping of child at school) purposes. The District vehicle shall not be extensively used for personal use. The District may suspend, modify, or terminate incidental personal use of the District vehicle upon notice to Dahl.

10. MISCELLANEOUS BENEFITS: Dahl shall be provided a District cell phone and a District laptop computer for business-related purposes only.

11. TERMINATION OF AGREEMENT:

(a) FOR CAUSE: This Agreement may be terminated by the District for cause amounting to breach of the terms and conditions of this Agreement, or for facts which in the reasonable opinion of the Board otherwise render Dahl unfit or unqualified to continue as General Manager of the District. Notice of the intended termination for cause, and the grounds constituting such cause, shall be provided to Dahl no less than fifteen (15) days before the date of termination, and, if requested by Dahl, the Board shall schedule a meeting with Dahl to review and consider any facts or circumstances offered by Dahl in mitigation of the Board's intended action. Notwithstanding the foregoing, the Board shall be entitled to meet in closed session without Dahl to deliberate and decide its action. The decision of the Board shall be final.

(b) WITHOUT CAUSE: This Agreement may also be terminated without cause. If Dahl is terminated by the Board of Directors without cause while he is still willing and able to perform the duties of General Manager, District agrees to pay Dahl payment as set forth below. Such payment will release District from any further obligations under this Agreement, except payment of any unused vacation leave accrued as of the date of termination.

(c) SEVERANCE PAYMENT SCHEDULE:

(1) If Dahl has completed less than one (1) year of employment with the District, Dahl will be entitled to an amount equal to twelve (12) months' base salary.

(2) If Dahl has completed between twelve (12) and (24) twenty-four months of employment with the District, Dahl will be entitled to an amount equal to six (6) months' base salary.

(3) If Dahl has completed more than (24) months of employment with the District, Dahl shall be entitled to three months' base salary provided there is more than three months remaining on his employment Agreement. If there are three months or less remaining, there shall be no payment.

(4) Pursuant to Government Code section 53243.2, any funds received by Dahl from the District, resulting from the Board's decision to terminate him without cause, shall be fully reimbursed to the District if Dahl is convicted of a crime involving the abuse of his powers of office. If the District funds the criminal defense of Dahl against charges involving the abuse of his office or position, and he is then convicted of those charges, Dahl shall fully reimburse the District for all District funds paid for his criminal defense.

(d) RESIGNATION: Dahl may resign at any time. Dahl agrees to give District at least thirty (30) calendar days' advance written notice of resignation.

(e) TERMINATION BY DEATH: The Agreement shall terminate immediately upon the death of Dahl and all rights and obligations of the Parties under the Agreement shall be deemed fully satisfied.

(f) TERMINATION BY MUTUAL CONSENT: Notwithstanding any other provision of this Agreement, the parties may by mutual consent terminate this Agreement before its expiration.

12. PERFORMANCE EVALUATION. The District shall review and evaluate the performance of Dahl at least once each year. Said evaluation shall take place within thirty (30) days prior to July 1 of each succeeding year. Said review and evaluation shall be conducted by the Board of Directors at a regular or special meeting. Evaluation criteria shall be developed by the Board of Directors in consultation with Dahl. Nothing herein precludes either party from requesting the use of a third party to facilitate the evaluation process.

13. NOTICES. Any notices required by this Agreement shall be in writing and either given in person or by first class mail with the postage prepaid and addressed as follows:

TO DISTRICT: Board of Directors
Attention: Board President
2810 Silver Street
Anderson, CA 96007

TO EMPLOYEE: Justin O. Dahl
P.O. Box 155
Artois, CA 95913

14. The Agreement is complete and entire and may not be altered except in writing executed by each party hereto.

15. This Agreement may be executed in two counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS THEREOF, the parties hereof have executed this Agreement.

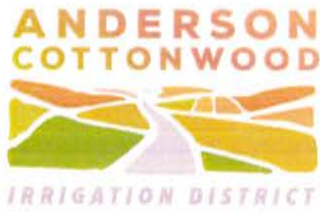
Dated: June ____, 2023.

ANDERSON-COTTONWOOD IRRIGATION DISTRICT:

By: -----
Dan Woolery
President, Board of Directors

Dated: June ____, 2023.

Justin O. Dahl:



Dan Woolery,
President, Division 3

James Rickert,
Vice President, Division 5

Ronnean Lund,
Director, Division 1

Audie Butcher,
Director, Division 2

Steve McCarley,
Director, Division 4

Jered Shipley,
General Manager

Date: June 8, 2023 Agenda Item No. 5 B

<p><u>Agenda Title:</u> Discuss and Consider District Protocols in absence of General Manager</p>
<p><u>Discussion:</u> During the Transition period between Former General Manager Shipley’s last day of June 2, 2023 and the first day of employment for the new General Manager there may be items that need to be addressed with specific dates. This item is intended to discuss how the Board plans to address these items.</p>
<p><u>Fiscal Impact:</u> N/A</p>
<p><u>Recommendation:</u> N/A</p>
<p><u>Attachments:</u> N/A</p>



Dan Woolery,
President, Division 3

James Rickert,
Vice President, Division 5

Ronnean Lund,
Director, Division 1

Audie Butcher,
Director, Division 2

Steve McCarley,
Director, Division 4

Jered Shipley,
General Manager

Date: June 8, 2023 Agenda Item No. 5 C

Agenda Title: Discuss and Consider contract to hire Randy Davis as a part time Irrigation Consultant

Discussion: Board President Dan Woolery suggested staff reach out to former employee Randy Davis to gauge his interest regarding part time consulting for the District. The scope of work would include some use of Heavy equipment, water deliveries, maintenance and passing on historic knowledge of the District.

Davis submitted a consulting agreement to General Manager Shipley to work 20-25 hours per week (see attached).

Fiscal Impact: Possibly up to \$7,000 per month.

Recommendation: Staff recommends the Board and Mr. Davis work to complete an agreement with hourly compensation as opposed to monthly compensation.

Attachments: Randy Davis Irrigation Consultant Proposal

May 30th, 2023

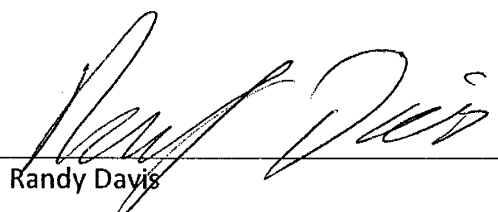
To: ACID Board of Directors

From: Randy Lee Davis
Irrigation Consultant

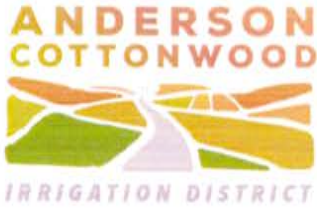
RE: Proposed Contract

1. Hours would be flexible, 20-25 hours per week.
2. Monthly rate - \$7,000 per month with no benefits.
3. Use of company pickup when deemed necessary.
4. Effective June 1, 2023.

ACID Board of Directors



Randy Davis



Dan Woolery,
President, Division 3

James Rickert,
Vice President, Division 5

Ronnean Lund,
Director, Division 1

Audie Butcher,
Director, Division 2

Steve McCarley,
Director, Division 4

Jered Shipley,
General Manager

Date: June 8, 2023 Agenda Item No. 5 D

Agenda Title: Discuss and Consider contracting to hire part time temporary maintenance employees through K and S Staffing

Discussion: ACID currently has two open maintenance positions.

Fiscal Impact: See Attached Contract

Recommendation: Staff recommends the Board direct Finance Manager White and Operations Manager Duncan engage in a contract with K and S Staffing to fulfill the short-term maintenance needs of the district.

Attachments:

- K and S Staffing contract and supporting documents
- Operations Manager Letter requesting temporary maintenance employees



Dan Woolery
President, Division 3

James Rickert
Vice President, Division 5

Ronnean Lund
Director, Division 1

Audie Butcher
Director, Division 2

Steve McCarley
Director, Division 4

Jered Shipley
General Manager

Formal Request for 4 maintenance personnel

Dear General Manager,

Operations Manager is formally requesting Anderson-Cottonwood Irrigation District (District) hire four new maintenance personnel. District currently has two supervisors, four water operators, one staff out on medical and one equipment operator to service customers and maintain the conveyance system. Current staff is on call 24 hours a day, 7 day a week and has been since 4/25/2023. Staff has been unable to keep up with incoming calls, communicate with customers and keep canals flowing free of debris.

If District had four new staff members, District could better monitor the conveyance system to address issues and help Water Operators in their area. New staff will also learn an irrigation area enough to relieve current staff to give them a day off to rest.

District is currently short staffed and can not sustain this operation through the 2023 irrigation season. Personnel are becoming tired and agitated. Action should be taken on this matter to mitigate and resignations.

Thank you,

A handwritten signature in black ink, appearing to be "Ben Duncan", written over a horizontal line.

Ben Duncan
Operations Manger
Anderson-Cottonwood Irrigation district.



May 11, 2023
Anderson-Cottonwood Irrigation District
2810 Silver Street
Anderson, CA 96007

Dear Terri,

Thank you for allowing us to present this proposal. I feel confident that you will find the attitudes and work ethic of our employees to be those in which you would expect from your own employees. Our goal is **EXCELLENT SERVICE** to our clients. Quality and service are our highest priorities. The success and reputation of K&S Staffing Solutions depend completely on these two principles.

At K&S Staffing Solutions, we realize that only you can decide what you want or expect from a staffing service. For that reason, we customize our service to meet your individual needs. Our purpose is very clear: we want to take care of all your staffing needs regardless of long or short term needs.

After reading the following proposal and when you agree, K&S Staffing Solutions welcomes this responsibility. Please consider the following:

- K&S Staffing Solutions can provide Anderson-Cottonwood Irrigation District with qualified employees to meet your business needs.
 - K&S Staffing Solutions can bring about significant savings: By converting fixed operating expenses into one variable cost.
 - K&S Staffing Solutions saves you time by allowing you to fill all your business needs with one phone call to our office or by email addressed specifically to your personal staffing consultant.
 - K&S Staffing Solutions can provide personnel for all shifts, seven days a week.
 - K&S Staffing Solutions will make every effort to study your company's facilities in order to become knowledgeable about the specific needs of each department.
 - K&S Staffing Solutions recruits, evaluates, interviews, checks references and provides a complete orientation, along with (optional) drug screening and background checks in order to supply you with the best-qualified employees (on payroll status also).



- K&S Staffing Solutions agrees to payroll and supply qualified employees for Anderson-Cottonwood Irrigation District. Here are our rates listed below:

STANDARD RATES:

<i>Job Title</i>	<i>Pay Rate</i>	<i>Bill Rate</i>
Reclamation Labor #0251 (1.49 Markup)	Example Pay \$20.15/Hr.	Example Bill \$30.24/Hr.

- We offer all our employees the ability to earn up to 40 hours of PTO (paid time off) a year accrued at 1.54 hours per 40 hours worked with NO BILL BACK to the client. This is offered as our way of saying THANK YOU for your business and helping to insure good quality candidates.
- The rates above are based on K&S Staffing's 520 working hour's contract, #12 of the K&S Staffing Agreement. If your company is seeking a Direct Hire employee please ask for rates, otherwise #13 of your staffing agreement will apply.
- In conclusion, we hope that you will think of K&S Staffing Solutions not only as a staffing service but as an extension of your own personnel business department. We feel very confident that our program will be cost-effective and time-effective for Anderson-Cottonwood Irrigation District and will make your job easier as it relates to staffing.

Please sign agreement of terms below:

Client Representative Signature

Date:

Darnesha Ward
Staffing Consultant
darnesha@kss4jobs.com



Client Staffing Agreement

K&S Staffing Solutions, Inc. (referred to as K&S in this agreement) and you, our client enter into this "STAFFING AGREEMENT" based on the following disclosures which outline the responsibilities of both K&S and "you" the client.

We are very happy that you have put your confidence in K&S to fulfill your staffing requirements. The stipulations included in this STAFFING AGREEMENT are very important to each party in order to maintain a successful and economically satisfactory business relationship.

1. Each person we assign to your company is an employee of K&S and all state, federal and city and/or county employment laws will be followed in our payroll practices. Our employees earn vacation and sick pay based on our written company policies and state law.
2. Job specifications are required for each position filled by K&S to make sure the highest standards are being met for your business. Successful recruiting takes a clear understanding of the work to be performed as well as the assignment of the correct workers compensation code for insurance purposes. In the event you move an employee to a different position during their assignment, you agree to notify K&S immediately of the assignment change.
3. Approved, signed, timesheets or other instrument used to report the time worked by our employee's is due in our office by 5pm Monday after the end of the work week. Payroll is processed to enable direct deposits, checks or Global cash card to be available each Friday following the weekly pay period. (Work weeks are Monday through Sunday). Checks, etc. held for pickup will be available Friday morning. If pay is to be mailed, the check will be put in afternoon mail Friday.
4. It is important that we work together to ensure that K&S employees assigned to provide services in your business are provided the safest environment possible. This agreement certifies that you agree to be aware and maintain a safe work site and assure that any equipment being used is well maintained and in proper working order and suitable to be used to perform the work it is being used to perform. You further agree, as does K&S to comply with all applicable local, state, and federal laws and regulations. In the event any damages or claims that occur due to failure to comply with any of these laws you hereby agree to hold K&S harmless as well as to indemnify K&S from respective losses, claims and other incurred damages related thereof to such failure to comply with same regulations and laws.
5. K&S policy is to promptly pay our employees for work time as approved by you and you agree to pay K&S based on time approved by you. On approval of credit, payment terms are stated on our invoices and are due on or before the due date. Unpaid amounts exceeding past the date of the invoice due date are subject to a delinquent charge. **We charge a delinquent fee based on a 17% annual rate and will take effect on the 6th day after invoice due date.** After a period of 30 days past due K&S will at that time end the assignment of all K&S employees working for your company until payment in full is made. Should K&S have to pull employees from our client due to nonpayment twice in a twelve (12) month timeframe; K&S will effectively end our contract between you the client and K&S. In the event we incur attorney fees or other charges related to our collection process you agree to pay these charges in addition to the invoice amounts of respective delinquencies.
6. If any employee assigned to you does not perform up to reasonable expectations and your satisfaction, we have a four-hour guarantee upon your notification to us and we will provide a replacement. We will relieve the employee from the assignment and no charge will be incurred by you for the first four hours worked. This does not apply to jobs lasting less than four hours.
7. K&S provides reasonable and customary business insurance. Details of the coverages may be obtained upon your request. Your company must also maintain reasonable and customary insurance which covers our employees when operating any type of motor vehicle or equipment and also agree to waive any rights of recovery from K&S attached to our assigned employee.
8. Our employees will not offer advice or professional opinions on any kind of audit certifications. Further our employees will not offer or assume any finality on any project or give estimates, direction or other means of authority involving business decisions.
9. If our employee is given access to financial means including credit cards or other cash type or valuables, confidential information, proprietary information you agree to indemnify and hold K&S to no fault for any loss or damage incurred.
10. If you intend to have our employee operate any vehicle it is imperative that this information is given to K&S during the placement of the order so we may do the due diligence required to provide someone to perform according to your needs. You further agree to hold K&S harmless for any damages or liability that may occur regardless of any fault of our employee.



11. Our employees are to be under your direct supervision and K&S shall not be held liable for any adverse results of work performed. You agree that any misconduct or any negligence by you, the client, that creates a judgment for liability or damages incurred will not be "assigned" to K&S and that you will waive all rights of recovery & subrogation on your insurer's behalf regarding K&S.
12. Our "Try Before You Buy" program is set up to allow you to evaluate the performance of our employee before determining to hire them as your employee. Through our negotiation process with you on this program the total fee is determined that would need to be absorbed through our net gross margin for hours worked. At the end of the absorption period based on pre-determined number of hours worked required the employee may be transitioned to your payroll and become your employee with no additional fee. K&S Contract period is for 520 billing hours per employee unless otherwise stated in this agreement. (520-hour contract does not apply to associates that are sent in by the client, it only applies to associates K&S screens and send to you). "Buy-outs" are available to you as a client for employees who are still inside their 520-billing hour period. Please call our office to discuss this option if you are interested.
13. Any prospect for employment to your company that is presented by K&S that is hired by you within 365 days of our introduction or is hired directly onto your company without written consent from K&S will result in our employment fee being billed and due to be paid to K&S immediately based on our Direct Hire Fee Schedule which is 25% of employee's yearly income. Before we present a candidate to your company you must sign our fee agreement which states our conditions and our fee structure.
14. If you hire one of our employees that you have been using on a per hour charge basis prior to the contract end date, you will incur a liquidated damages fee based on the annual compensation of the employee. Our fee structures are presented to you prior to our beginning supplying you with employees to meet your staffing requirements.
15. If the positions, you require our services for staffing require special background checks and/or special substance use evaluations we will obtain required consent forms and conduct such tests and advise you of our out-of-pocket costs for which you will be billed.
16. In summary both parties acknowledge the importance of maintaining an accident and injury free working environment. K&S has a standard policy to visit your workplace and conduct an evaluation, with someone appointed by you, to review any possible hazards and if hazards or unsafe conditions do exist K&S will not service your company until any unsafe conditions are corrected. Further we will request you to supply us with your safety programs that are written, evaluated, and enforced and determine the inclusiveness we feel is necessary for you operation and for the work to be performed were we to assign our employee to your company. As a service to your company, we will, upon your request and approval, assist your staff in developing a Safety Program if you do not have one. We are sure you recognize the cost advantages of providing a safe workplace and the very adverse effect that injuries and accidents has on the morale of you employees as well as the adverse effect on your profitability. We, however, accept no responsibility for the results of the program. The written policies are just the foundation and the results of a favorable nature rest with your supervision and education of you employees on a constant and ongoing nature.
17. We sincerely hope you will choose K&S as your partner in selecting productive employees that will enable you to maintain a competitive edge over your competition. We want you to let us earn your business and respect by selecting K&S as your staffing partner.

Name of Company: _____

Name of Person Authorized to Sign: _____

Authorized Persons Signature: _____ Title _____
Date Signed _____

K&S Person: _____ Title _____
Date Signed _____



New Account Information

Client Anderson-Cottonwood Irrigation District		Telephone No. 530-365-7329		Cell No.		Contact Terri White	
Address 2810 Silver Street				City Anderson		State CA	Zip 96007
Type of Business Agriculture		Business Start Date 1914	Years at Address 50	CEO/Owner/Partner/Proprietor Board Of Directors			No. Employees 13
Type of Organization <input type="checkbox"/> Corp. <input type="checkbox"/> Partnership <input type="checkbox"/> Ind. Prop. <input type="checkbox"/> LLC <input checked="" type="checkbox"/> Other			Reason for Associates		State License #		State lic Exp date
Party in Charge of Accts. Payable Terri White		PO Required? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Terms are: Payments due 6 Days from Date of Invoice			
Person Accepting Our Terms Jered Shipley		Title General Manager		Social Security Number/Tax ID Number 94-1682332			
Primary Bank Used Tri Counties Bank		Telephone		Account No.		Account Representative	
Type of Account Checking		Date Opened 2000	Avg. Checking Balance \$ 250,000	Hi Balance \$ 1,300,000.00		Avg. Balance \$ 200,000	D&B Rating
Loans Outstanding <input type="checkbox"/> Secured <input type="checkbox"/> Unsecured		Current. Loan Balance \$	Hi Balance \$	Avg. Balance \$		Payment History <input type="checkbox"/> Excellent <input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor	
Bank Credit Rating		SIC Code	Comments:				
CREDIT REFERENCES				For K&S Services Only			
Name of Supplier Payless Buidling		Type of Business		Credit Limit \$ 5000	Date Acct. Opened 2000	Account Avg. \$	Account High \$
Address PO Box 912 Anderson CA		Contact		Avg. Days to Pay	Terms	Rating <input checked="" type="checkbox"/> Excellent <input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor	
Telephone No. 530-265-2701		Fax No.		Comments:			
Name of Supplier Fasteners		Type of Business		Credit Limit \$ 5000	Date Acct Opened	Account Avg. \$	Account High \$
Address 3721 Electro Way		Contact		Avg. Days to Pay	Terms	Rating <input checked="" type="checkbox"/> Excellent <input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor	
Telephone No.		Fax No.		Comments:			
Name of Supplier J & J Pumps		Type of Business		Credit Limit \$	Date Acct Opened	Account Avg. \$	Account High \$
Address 4952 South Barney Road		Contact		Avg. Days to Pay	Terms	Rating <input type="checkbox"/> Excellent <input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor	
Telephone No. 530-222-3393		Fax No.		Comments:			

TERMS AGREEMENT BUILT INTO CREDIT APPLICATION

The undersigned, in consideration of extending credit to aforesaid business, individually, jointly and severally as individuals unconditionally guarantee the payment of any and all future obligations of the said company which may be owing to K&S Staffing Solutions, Inc. upon demand including reasonable attorney's fees and all costs and other expenses incurred by K&S Staffing Solutions, Inc. in collecting an indebtedness of the aforesaid customer. Notice is waived. This is a continuing guarantee. Should a lawsuit be necessary to enforce the guarantee, venue is waived and suit may be brought in Redding, California. A photocopy or facsimile copy of the account application and signature shall be valid as an original thereof.

All information given above is correct to the best of the undersigned's knowledge. It is agreed that: (1) on approval of credit, charges for temporary help are labor related and due 6 days from the date of invoice; (2) creditor is authorized to investigate credit, banking and financial history and to disclose findings of that investigation as necessary.

Signature _____

Date _____

CREDIT APPROVAL

Approved By		Credit Limit \$	Terms	
Source Code	Client Account No.	Complete By		Checked By
				Date

K&S Staffing Solutions, Inc. 2815 Bechelli Lane, Redding, CA 96002

Phone (530) 605-4517 Fax (530) 605-4520

K&S Staffing Solutions, Inc. Is an equal opportunity employer



Dan Woolery,
President, Division 3

James Rickert,
Vice President, Division 5

Ronnean Lund,
Director, Division 1

Audie Butcher,
Director, Division 2

Steve McCarley,
Director, Division 4

Jered Shipley,
General Manager

Date: June 8, 2023 Agenda Item No. 5 E

Agenda Title: Discuss and Consider contracting a consultant to oversee administration of grants

Discussion: The District was recently contacted by the United States Bureau of Reclamation (USBR) regarding the rewarding of a grant application submitted by previous General Manager John Currey. USBR staff inquired if the District was still interested in pursuing the grant opportunity, and if so, who the District point of contact would be for administering the grant. Due to the timing of General Manager Shipley's departure, the Board would like to consider short-term and possibly long-term options to address this and other similar needs.

Fiscal Impact: Unknown at this time.

Recommendation: N/A

Attachments: Application for Federal Assistance SF- 424

Application for Federal Assistance SF-424

*** 1. Type of Submission:**

- Preapplication
- Application
- Changed/Corrected Application

*** 2. Type of Application:**

- New
- Continuation
- Revision

*** If Revision, select appropriate letter(s):**

*** Other (Specify):**

*** 3. Date Received:**

04/26/2022

4. Applicant Identifier:

5a. Federal Entity Identifier:

5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

*** a. Legal Name:**

Anderson-Cottonwood Irrigation District

*** b. Employer/Taxpayer Identification Number (EIN/TIN):**

941682332

*** c. UEI:**

PVBFFWDQSM83

d. Address:

*** Street1:**

2810 Silver Street

Street2:

*** City:**

Anderson

County/Parish:

*** State:**

CA: California

Province:

*** Country:**

USA: UNITED STATES

*** Zip / Postal Code:**

96007-4238

e. Organizational Unit:

Department Name:

Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix:

Mr.

*** First Name:**

John

Middle Name:

S.

*** Last Name:**

Currey

Suffix:

Title:

General Manager

Organizational Affiliation:

*** Telephone Number:**

530-365-7329

Fax Number:

530-365-7623

*** Email:**

j.currey@acidistrict.org

Application for Federal Assistance SF-424

*** 9. Type of Applicant 1: Select Applicant Type:**

D: Special District Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

*** 10. Name of Federal Agency:**

Bureau of Reclamation

11. Catalog of Federal Domestic Assistance Number:

15.507

CFDA Title:

WaterSMART (Sustain and Manage America's Resources for Tomorrow)

*** 12. Funding Opportunity Number:**

R22AS00195

* Title:

WaterSMART Small-Scale Water Efficiency Projects

13. Competition Identification Number:

R22AS00195

Title:

WaterSMART Small-Scale Water Efficiency Projects

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment

Delete Attachment

View Attachment

*** 15. Descriptive Title of Applicant's Project:**

Anderson-Cottonwood Irrigation District Water Conservation and Efficiency Conversion to Pipeline Project

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

Application for Federal Assistance SF-424

16. Congressional Districts Of:

* a. Applicant

* b. Program/Project

Attach an additional list of Program/Project Congressional Districts if needed.

17. Proposed Project:

* a. Start Date:

* b. End Date:

18. Estimated Funding (\$):

* a. Federal	<input type="text" value="100,000.00"/>
* b. Applicant	<input type="text" value="123,913.09"/>
* c. State	<input type="text" value="0.00"/>
* d. Local	<input type="text" value="0.00"/>
* e. Other	<input type="text" value="0.00"/>
* f. Program Income	<input type="text" value="0.00"/>
* g. TOTAL	<input type="text" value="223,913.09"/>

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- a. This application was made available to the State under the Executive Order 12372 Process for review on
- b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**

- Yes
- No

If "Yes", provide explanation and attach

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: * First Name:
Middle Name:
* Last Name:
Suffix:

* Title:

* Telephone Number: Fax Number:

* Email:

* Signature of Authorized Representative: * Date Signed:

ASSURANCES - NON-CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0040), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee- 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.
7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements.
10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
19. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
John Currey	General Manager
APPLICANT ORGANIZATION	DATE SUBMITTED
Anderson-Cottonwood Irrigation District	04/26/2022

Standard Form 424B (Rev. 7-97) Back

ASSURANCES - CONSTRUCTION PROGRAMS

OMB Number: 4040-0009
Expiration Date: 02/28/2025

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards of merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681 1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

Previous Edition Usable

Authorized for Local Reproduction

Standard Form 424D (Rev. 7-97)
Prescribed by OMB Circular A-102

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
20. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL John Currey	TITLE General Manager
APPLICANT ORGANIZATION Anderson-Cottonwood Irrigation District	DATE SUBMITTED 04/26/2022

SF-424D (Rev. 7-97) Back

CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

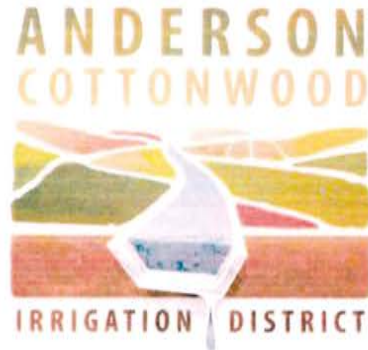
(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

* APPLICANT'S ORGANIZATION <input style="width: 90%;" type="text" value="Anderson-Cottonwood Irrigation District"/>	
* PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE	
Prefix: <input style="width: 50px;" type="text" value="Mr."/>	* First Name: <input style="width: 200px;" type="text" value="John"/> Middle Name: <input style="width: 100px;" type="text" value="S"/>
* Last Name: <input style="width: 300px;" type="text" value="Currey"/>	Suffix: <input style="width: 80px;" type="text"/>
* Title: <input style="width: 250px;" type="text" value="General Manager"/>	
* SIGNATURE: <input style="width: 300px;" type="text" value="John Currey"/>	* DATE: <input style="width: 150px;" type="text" value="04/26/2022"/>



Anderson-Cottonwood Irrigation District

Water Conservation and Efficiency Conversion to Pipeline Project

Shasta County, California

***Application Submitted to The United States Bureau of Reclamation for a WaterSMART grant:
Small-Scale Water Efficiency Projects for Fiscal Year 2022***

(Funding Opportunity No: R22AS00195)

Project Manager: John S. Currey, General Manager

2810 Silver Street

Anderson, CA 96007

Phone: (530) 365-7329

Fax: 530-365-7623

Email: j.currey@acidistrict.org

April 2022

Table of Contents

Technical Proposal..... 3

 Executive Summary..... 3

 Project Summary..... 3

 Anderson-Cottonwood Irrigation District Geographic Location..... 3

 Water Supply and Demand..... 3

 Project Location 4

 Project Timeline 4

Technical Project Description..... 4

Project Budget..... 5

Budget Narrative 7

Evaluation Criteria 8

 Evaluation Criterion A—Project Benefits (35 Points) 8

 Evaluation Criterion B—Planning Efforts Supporting the Project (30 points) 9

 Evaluation Criterion C—Implementation and Results (20 points)..... 9

 Evaluation Criterion D—Nexus to Reclamation (5 Points)..... 10

 Evaluation Criterion E—Presidential and Department of the Interior Priorities (10 points)..... 11

Environmental and Cultural Resources Compliance 12

Required Permits or Approvals..... 12

Official Resolution..... 12

Unique Entity Identifier and SAM..... 12

Technical Proposal

Executive Summary

Date: March 14, 2022
Applicant Name: Anderson-Cottonwood Irrigation District
Applicant Type: Category A
City: Anderson
County: Shasta & Tehama County
State: California

Project Summary

The Anderson-Cottonwood Irrigation District (ACID) proposes to convert 2,000 linear feet of Lateral 3 and sub-lateral 3.6 from an open earthen canal to a buried polyvinyl chloride pipeline (PVC). In addition, the District will upgrade 6 boxes and 9 gates. The installation of pipe and upgrade of gates and boxes will eliminate evaporation and seepage losses, reduce spills and provide better water management and conservation. The water losses from this area are adversely affecting the overall efficiency and reliability of water delivery to customers and will reduce electricity costs due to pumping from the Sacramento River. The project addresses the goals and objectives of the Anderson-Cottonwood Irrigation District Main Canal Modernization Project to facilitate improved water management and efficiencies while reducing Main Canal seepage losses and tailwater spills.

Anderson-Cottonwood Irrigation District Geographic Location

ACID was formed July 27, 1914, has over 32,000 acres within its district lines and serves approximately 6,833 irrigated acres within Shasta and Tehama Counties. The primary crop is irrigated pasture and in addition, alfalfa and some deciduous orchards are grown within the boundaries of the District. The District boundaries include the City of Redding, the City of Anderson, and the town of Cottonwood which lay in the valley below Mt. Shasta and are approximately 160 miles North of Sacramento. The City of Redding is the largest population center within the District and in 2021 had a population of 95,542 people as of the latest US Census estimates.

Water Supply and Demand

The District holds senior water rights under pre-1914 postings, to divert water from the Sacramento River in Redding. The ACID surface water supply entitlement provides for a maximum total of 125,000 acre-feet base supply annually and 4,000 acre-feet of Central Valley Project (CVP) supply during the period April 1 through October 31 of each year. In dry years the supply may be significantly less. The District diverts primarily from a gravity diversion in the river at the seasonal ACID Diversion Dam in Redding at River Mile 246.0R. In addition, the District operates a pump station downstream at River Mile 240.5L to supply a lateral canal.

ACID's distribution system includes approximately 35 miles of Main Canal, about 98 percent of which is unlined, and 200 miles of lateral conveyances which serve about 833 customers in Shasta and Tehama Counties.

Project Location

The proposed *Water Conservation and Efficiency Conversion to Pipeline Project* is located in Shasta County and is approximately 10.2 miles south of Redding. The project will pipe 2,000 feet of an open earthen channel from Valley Lane to Peach Lane. The project begin point is latitude 40°29'21.82"N and longitude is 122°19'29.77"W and end point is latitude 40°29'6.75"N and longitude 122°19'5.17"W. The lateral number 3.6 is 10,292.27 feet in length and is noted on the attach map as **Figure 1**.

Project Timeline

April 1, 2023-March 31, 2025

The District anticipates that procurement of materials and design review will begin once grant funds are made available and the District has secured a contract with the U.S. Bureau of Reclamation (BOR). Construction work would begin in the Fall of 2023 due to operational timelines and the finalization of the irrigation season. The timeline for construction work completion is the Fall of 2023 to the Spring of 2024 and the Fall of 2024 to January of 2025. All work and disturbance of soil will occur within our current easement and within the current ditch line, all work will need to be completed within the non-irrigation season. All reporting and a final report will be completed and submitted to the BOR by the grant completion date of March 31, 2025.

Technical Project Description

Scope of Work:

The District will install 2,000 feet of new 24" polyvinyl chloride (PVC) pipeline within Lateral 3 and sub-lateral 3.6. This conversion of the open earthen channel to pipeline will include the installation of six (6) precast 48 inch by 48 inch by 60 inch concrete boxes with 6-inch walls. The installation of nine (9) waterman gates within the six boxes and four concrete collars will tie the project to concrete pipe at the North end of the project and a siphon at the South end of the project. Upon notice of the award, the District will finalize the review of the project design. The project area is an active canal with operational and maintenance access roads. All project work will take place within the canal and the maintenance access roads.

Project Budget

Table 1. Summary of Non-Federal and Federal Funding Sources

FUNDING SOURCES	AMOUNT
Non-Federal Entities	
1 . Anderson- Cottonwood Irrigation District	\$123, 913.09
Non-Federal Subtotal	\$123, 913.09
REQUESTED RECLAMATION FUNDING	\$100,000

Budget Item/Description	Computation			Recipient Funding	Reclamation Funding	Total Cost
	Unit	\$/Unit	Quantity			
1. Salaries and Wages						
District Manager/Project Manager	\$45.67	Hour (HR)	52	\$2,374.84	0	\$2,374.84
Maintenance Supervisor	\$22.06	HR	162.5	\$3,584.75	0	\$3,584.75
Operation Supervisor	\$20.54	HR	162.5	\$3,337.75	0	\$3,337.75
District Office Manager	\$19.38	HR	10	\$193.80	0	\$193.80
DitchTender/Maintenance Worker III (3 employees)	\$18.94	HR	487.5	\$9,233.25		\$9,233.25
Equipment Operator/Maintenance Worker	\$19.23	HR	162.5	\$3,124.88	0	\$3,124.88
2. Fringe Benefits						
District Manager/Project Manager	\$19.56	HR	52	\$1,017.12	0	\$1,017.12
Maintenance Supervisor	\$10.72	HR	162.5	\$1,742.00	0	\$1,742.00
Operation Supervisor	\$10.72	HR	162.5	\$1,742.00	0	\$1,742.00
District Office Manager	\$10.72	HR	10	\$107.20	0	\$107.20
DitchTender/Maintenance Worker III	\$10.72	HR	487.5	\$5,226.00	0	\$5,226.00
Equipment Operator/Maintenance Worker	\$10.72	HR	162.5	\$1,742.00	0	\$1,742.00

4. Mileage						
Mileage on Trucks (2 trucks)	0.585	Mile	250	\$146.25	0	\$146.25
5. Equipment						
Excavator I-5 rental (1 month)	\$9,750	Lump	9,750	\$9,750.00	0	\$9,750.00
Backhoe to unload pipe Army Corp w/fuel rate	55.59	HR	25	\$1,389.75	0	\$1,389.75
Equipment fuel (excavator)	5.56	HR	75	\$417.00	0	\$417.00
6. Supplies & Materials						
Pipe 24"	\$66.36	Foot	2000	\$32,720.00	100000	\$132,720.00
Concrete	\$155.00	Yard	6	\$930.00	0	\$930.00
Waterman Gate 24"	\$1,587.29	Each	3	\$4,761.87	0	\$4,761.87
Waterman Gate 10"	\$961.26	Each	1	\$961.26	0	\$961.26
Waterman Gate 18"	\$1,177.41	Each	5	\$5,887.05	0	\$5,887.05
Box Cooks	\$3,881.00	Each	6	\$23,286.00	0	\$23,286.00
Trucking for boxes	\$300.00	Lump Sum	300	\$300.00	0	\$300.00
Mortar (per 60 -lb. bag)	\$6.98	Each	10	\$69.80	0	\$69.80
Accessories for boxes and concrete saddles (screws, bolts, zip ties, red-heads,etc)		Lump Sum	600	\$600.00	0	\$600.00
Pipe for turnout 18" (2sticks)	28.83	Foot	44	\$1,268.52		\$1,268.52
7. Consultant/ Contractor						
Civil Engineering/Environmental		Lump Sum	8,000	\$8,000.00	\$0.00	\$8,000.00
TOTAL PROJECT COSTS				\$123,913.09	\$100,000.00	\$223,913.09
PERCENTAGE OF COSTS				55.34%	44.66%	

Budget Narrative

Budget components include the following general categories of project costs:

Salaries and Wages-\$21,849.27

Direct administration of the project such as reporting information to the funder, project accounting, and fiscal management will be completed by the Project Manager/District Manager and Office Manager. All project/fieldwork will be completed by the Maintenance Supervisor, Operation Supervisor, Equipment Operator, and three (3) DitchTender/Maintenance workers who are employees of the District.

Employee Benefits: \$11,576.32

Employee benefits consist of health insurance and retirement benefits for eligible employees at an average of 34% of the total payroll cost.

Supplies: \$170,784.50

Project supplies include pipe, concrete, waterman gates, accessories for concrete and pipe repair and installation, fuel for rented excavator, and miscellaneous supplies for the construction of gates and headwalls.

Equipment \$11,565.75

Rental of an excavator at local rates and the use of the District backhoe at the rate for the budget was taken from the US Army Corps of Engineers Equipment Rates EP1110-1-8, Region 7-Hourly Equipment Ownership and Operating Expense.

Mileage \$146.25

The daily mileage is at the IRS mileage reimbursement rate of \$0.585

Consultant/Contractor \$8000

The estimated cost of environmental and civil engineering review.

The total amount being requested from the BOR is \$100,000. The total amount requested will be applied to the cost of pipe and is the only supply being requested of the BOR; all other costs will be supplied by the District. Project costs for the project are reasonable for this type of task and the geographic area the project serves.

Evaluation Criteria

Evaluation Criterion A--Project Benefits (15 Points)

Clearly explain the anticipated water management benefits to the Category A applicant's water supply delivery system and water customers.

This area has historically had previous challenges in supporting sufficient flows. The project will increase the beneficial outcomes by conserving water, eliminating water losses, conserving energy (reduction of pumping cost), and increasing delivery efficiency and reliability. This conversion project will reduce electricity costs due to pumping while reducing or eliminating seepage & evapotranspiration losses in the project area. It may increase water quality by reducing erosion within the delivery systems which can lead to sediment transportation. The conversion project will also lead to operation and maintenance cost savings due to the task of clearing debris and vegetation from the open canal banks. The upgraded turnouts within the project area may lead to staffing savings and customer convenience due to the antiquated nature of the current turnouts. The opportunity to have a reliable delivery system in this area may lead to an increased delivery at downstream turnouts.

Significance of the anticipated water management benefits:

With California in one of the worst draughts in history, the continued restrictions and reduced allotments of diverted water are becoming the norm. The opportunity to make the infrastructure of the District more effective and efficient will lead to compounding water savings year after year. This project will continue to save water for the life cycle of the pipeline while creating more productivity for on-farm deliveries below the improvement project area. As of April 20, 2022, the District's allotment of water diversion has been curtailed to 18% of the annual diversion of 131,000 acre-feet. This has adversely created hardship for all customers of the ACID. These improvements to the infrastructure will continue to support and ensure that customers within the District continue to be able to utilize their full rights to the waters of the District.

Broader Benefits:

The project will continue to have broader benefits that include increased communication with the Water Managers in the North State through monthly meetings supporting the beneficial outcomes of the project and creating new opportunities to support our community partners. This project will also continue to supply supportive waters for pastures and associated vegetation which supplies habitat along the Pacific West Flyway which positively impacts various components of various sectors of the environment, economies, recreation, and tourism in the North State. The project is a complement to the past and future Natural Resource Conservation Service Projects completed in the area with the conversion to pipeline continuing to support and build upon the current efficiencies of those past projects. The benefits broaden as a sustained surface water irrigation applications within the project area supports annual groundwater recharge to the Enterprise Subbasin and is noted in the Enterprise Subbasin Groundwater Sustainability Plan.

Evaluation Criterion B—Planning Efforts Supporting the Project (20 points)

Plan Development: Describe how your project is supported by an existing planning effort. Identify the planning effort and who developed it.

The Anderson-Cottonwood Irrigation District Main Canal Modernization Project prepared for the District in March of 2008 by CH2MHILL, notes the goals and objectives of the project and the District. This project's goals are to decrease nonproductive evapotranspiration, facilitate improved water management, reduce seepage losses and reduce tailwater spills that do not return to the Sacramento River. The proposed project continues these efforts by supporting the District's efforts to create an updated and more efficient delivery system. The proposed project area is a priority to the District due to the area's high water loss and continued producer dissatisfaction with delivery.

Evaluation Criterion C—Implementation and Results (20 points)

Describe the implementation plan for the proposed project. Please include an estimated project schedule that shows the stages and duration of the proposed work, including major tasks, milestones, and dates.

Estimated Project Schedule:

Anticipated notification of Award 03/31/2023

The District anticipates that procurement of materials, environmental, cultural, and design review will begin once grant funds are made available and the District has secured a contract with the BOR.

September 2023

All materials are procured and staged at the District's equipment yard to ensure prompt commencement of the project.

Oct 15-Nov 1, 2023 to March 1, 2024

All construction work would begin in the Fall of 2023 due to operational timelines and the finalization of the irrigation season. The entire project is planned to be completed in a continuous 25-day period. If any issues should arise the project would be able to meet the next window of Oct 15-Nov 1, 2024 through March 1, 2025.

March 1, 2024 - March 31, 2025

Completion of a final report and submission to the BOR by the grant completion date of March 31, 2025.

Describe any permits that will be required, along with the process for obtaining such permits.

The District does not anticipate the need for any permits or approvals given for all work or improvements that will be occurring within the existing canal, canal berm, and ACID-operated facilities and easements of the District. Any work would be considered maintenance of the existing structure. The project may only require a categorical exclusion checklist and will be

coordinated with the local Reclamation area office. As noted on the Bureau of Reclamation (BOR) Departmental Manual, Series 31, Part 516, Ch 14 this project would qualify for D. Operation and Maintenance Activities (1) Maintenance, rehabilitation, and replacement of existing facilities which may involve a minor change in size, location, and/or operation and E. Grant and Loan Activities (2) Small Reclamation Projects Act grants and loans where the work to be done is confined to areas already impacted by farming or development activities, work is considered minor, and where the impacts are expected to be localized.

Identify and describe any engineering or design work performed specifically in support of the proposed project.

The initial plan and design have been completed in-house and are in line with routine operation and maintenance tasks of the District staff. Upon approval of the funding, an external review of the initial plan and design will be completed.

Describe any new policies or administrative actions required to implement the project.

No new policies or administrative actions are required to implement the project. Upon completion of the project, the District Ditchtender sheets will be updated to reflect the changes made to the infrastructure to allow for the Ditchtender to manage the water deliveries in the project area.

Describe the timeline for completion of environmental and cultural resource compliance. Was the timeline for completion of environmental and cultural resource compliance discussed with the local Reclamation office?

Since all work is occurring within the existing canal, canal berm, and ACID-operated facilities and easements, the District does not anticipate any impacts on the surrounding environment, cultural resources, and protected or endangered species. After approval of funding but before the commencement of any work, the District will reach out to the local Reclamation office to ensure the appropriate level of compliance studies, if any, and will update our budget and project schedule accordingly.

Evaluation Criterion D—Nexus to Reclamation (5 Points)

Is the proposed project connected to a Reclamation project or activity? If so, how?

The proposed project is connected to Shasta Dam and Shasta Reservoir which is located about nine miles Northwest of Redding, on the Sacramento River. This Reclamation project was built during the seven-year period between 1938 and 1945. The water stored in the reservoir represents about 41 percent of the stored water in the CVP. This project will support the efficient and effective usage of stored waters in Shasta Lake that are diverted in April through October for irrigation purposes.

Does the applicant receive Reclamation project water?

Yes, ACID holds a water right under pre-1914 postings, to divert water from the natural flow of the Sacramento River. The ACID surface water supply entitlement provides for a maximum total of 125,000 acre-feet (AF) per year during the period April 1 through October 31. 121,000 AF is considered base supply and 4,000 AF is Central Valley Project water.

Is the project on Reclamation project lands or involving Reclamation facilities?

No, this project is not on Reclamation project lands and does not involve Reclamation facilities.

Is the project in the same basin as a Reclamation project or activity?

Yes-The Redding Basin covers about 510 square miles in the Northern part of the Central Valley of California and is surrounded by the Cascade Range, Klamath Mountains and Coastal Ranges. It is separated from the main part of the valley by the Red Bluff Arch, a subsurface geologic structure. Stored waters from Shasta Lake, a centerpiece of the BOR Central Valley Project, will be diverted to water farmlands and recharge groundwater within the same basin.

Will the proposed work contribute water to a basin where a Reclamation project is located?

Yes-the recharge to the Redding ground-water basin as per a U.S. Geological Survey Water-Resources Investigations Report 83-4052 notes recharge to the Redding Basin is obtained from subsurface inflow infiltration of precipitation and applied irrigation water and percolation from streams and creeks. ACID is an annual contributor to groundwater recharge through the 121,000 acre-feet of diverted surface water that is applied to lands within the Redding Basin. This project will take place in the Enterprise Subbasin 5-006.04.

Evaluation Criterion E—Presidential and Department of the Interior Priorities (10 points)

The proposed project invests in climate-resilient infrastructure in Northern California by adapting the 1914 infrastructure project area into a modernized conveyance system that is better able to cope with climate impacts. The potential impacts of extreme weather events could lead to costly repair of existing infrastructure creating loss or spill of this very important natural resource to our state and producers. In a historically dry drought event, this project strengthens efficiencies and increases resiliency by conversion of the open canal to a pipeline which could lead to increased efficiency and reliability of service water supply to our food supply producers while decreasing the consumption of energy due to pumping demands.

There are no lands associated with this project in a disadvantaged or underserved community and/or connected to tribal lands.

Environmental and Cultural Resources Compliance

The ACID was formed under Division 11 of the California Water Code in 1914 and was one of the earliest irrigation districts organized in the Sacramento Valley. The ACID Main Canal was constructed between 1914 and 1918, although the water was conveyed through the canal by 1917. An aqueduct at Anderson Gulch is designated as a Point of Historical Interest and the Rolland Robinson residence is 1.5 stories high on a raised foundation with a square footprint. This residence is located northwest of the town of Cottonwood, along the Cottonwood Canal. This house was recorded on Department of Parks and Recreation forms but both noted places are outside of the proposed project area. The ACID Main Canal is 35 miles long and both of these structures are located 3.37 miles and 7.56 miles South of the proposed project. There are no known archeological sites within the proposed project area. As reviewed on the National Water Information System Mapper, the proposed project area does not have “Waters of the United States” within its boundaries or potentially within its boundaries. All Earth-disturbing work, installation of boxes, gates, and the piping of the canal lateral will be minimal and limited to the canal and berms, typical to regular ACID canal maintenance activities.

Required Permits or Approvals

The District does not anticipate the need for any permits or approvals given for all work or improvements that will be occurring within the existing canal, canal berm, and ACID-operated facilities and easements of the District. Any work would be considered maintenance of the existing structure. If the need for a permit is identified during the process, all rules and procedures to obtain the permit will be followed prior to any work continuing.

Official Resolution

Please review the attached resolution 2022-02.

Unique Entity Identifier and SAM

The District is currently registered with SAM and DUNS #073788895.

Water Conservation and Efficiency Conversion to Pipeline Project

Valley Lane to Weeks Road 1264
Peach Lane to Siphon 736

Figure 1 MAP



RESOLUTION NO. 2022-02

**RESOLUTION OF THE BOARD OF DIRECTORS
OF ANDERSON-COTTONWOOD IRRIGATION DISTRICT
APPLICATION FOR
THE UNITED STATES DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION
WATERSMART SMALL-SCALE WATER EFFICIENCY PROJECTS
NOTICE OF FUNDING OPPORTUNITY NO. R22AS00195**

WHEREAS, the Anderson-Cottonwood Irrigation Board of Directors wishes to actively participate in the United States Department of Interior WaterSMART Small-Scale Water Efficiency Projects Notice of Funding Opportunity No. R22AS00195 for the purpose of converting open ditch line to pipeline on Sublateral 3.6 to improve water use efficiency within the Anderson-Cottonwood Irrigation District service area.

WHEREAS, the benefits of the installation of pipe in open ditch line and upgrade of gates and structures includes eliminating evaporation and seepage losses, reduce spills, reduced operation and maintenance costs while providing better water management and conservation.

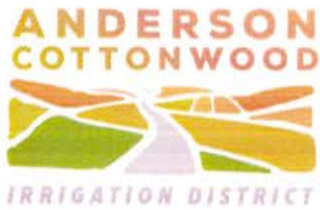
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Anderson-Cottonwood Irrigation District authorizes an application to the United States Department of the Interior, Bureau of Reclamation WaterSMART Water Efficiency Projects Notice of Funding Opportunity No. R22AS00195 for the amount up to \$270,000 for the conversion of open lateral. The District will work with Reclamation to meet established deadlines for entering into a grant and authorizes its General Manager, John Currey to sign such agreements on behalf of the Anderson-Cottonwood Irrigation District.

PASSED AND ADOPTED the 14th day of April, 2022 by the Board of Directors of Anderson-Cottonwood Irrigation District:

- AYES: Haynes, Williams, Eliante, Butcher, Michiels
- NOES:
- ABSENT:
- ABSTAIN:



Brenda L. Haynes
Brenda Haynes
President
Anderson-Cottonwood Irrigation District



Dan Woolery,
President, Division 3

James Rickert,
Vice President, Division 5

Ronnean Lund,
Director, Division 1

Audie Butcher,
Director, Division 2

Steve McCarley,
Director, Division 4

Jered Shipley,
General Manager

Date: June 8, 2023 Agenda Item No. 5 F

Agenda Title: Discuss and Consider Approval of ACID Investment Policy

Discussion: The ACID Board directed staff to develop a draft investment policy, to bring it back to the Board for comment, consideration, and adoption. The policy is meant to provide clear direction on investment options for the District's funds and the mechanism for those investments to be made.

Fiscal Impact: Unknown at this time.

Recommendation: Staff recommends the Board approve the Draft Investment Policy

Attachments: Anderson-Cottonwood Irrigation District Draft Investment Policy

Anderson-Cottonwood Irrigation District Investment Policy

I. **Policy Statement**

The purpose of this Investment Policy is to establish the framework through which the Anderson-Cottonwood Irrigation District (District) invests its available financial resources while ensuring compliance with all applicable regulations and statutes governing the investment of public funds.

II. **Scope**

This Investment Policy covers all funds and investment activities of the District except funds contained in the District's Internal Revenue Code §115 Other Post-Employment Benefit Trust Fund and funds contributed on behalf of employees to the Pension Trust Fund.

III. **Delegation of Authority**

Authority to implement and manage the District's investment program is derived from California Government Code (GC) §53600 *et seq.* All investments of the District within the scope of this Investment Policy shall conform to the requirements of these statutes. In accordance with GC §53607, the authority to invest or reinvest the funds of the District is delegated to the District Finance Subcommittee (Committee) for a one-year period. The District Finance Subcommittee shall be comprised of two (2) District Board Members, District General Manager and District Finance Manager. Annually, prior to the expiration of such delegated authority, the Board of Directors shall consider renewal of the delegation of the authority to invest and reinvest funds to the District Finance Subcommittee for an additional one-year period. Once such authority is delegated, the District Finance Subcommittee shall assume full responsibility for investment transactions within the scope of this Investment Policy until the delegation is revoked or expires.

IV. **Prudence**

All participants in the investment process shall recognize that management of the District's investment portfolio is subject to the prudent investor standard as set forth in GC §53600.3 and to public review and evaluation and shall act responsibly as fiduciaries of the public trust. The prudent investor standard states:

When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.

V. **Ethics and Conflicts of Interest**

All participants in the investment process shall act as custodians of the public trust and shall recognize that the investment portfolio is subject to public review and evaluation. Employees and investment officials shall refrain from personal business activity that could conflict with proper execution of the investment program or could impair or create the appearance of an impairment of their ability to make impartial investment decisions. Employees and investment officials shall disclose to the General Manager any financial interests they have in financial institutions that conduct business with the District, and they shall ensure that any personal investment transactions they may have with such financial institutions do not conflict with those of the District.

VI. **Investment Objectives**

The objectives of the District's investment program are as follows, in order of priority:

1. **Safety.** Safety of principal is the foremost objective of the investment program. Investments will be managed in a manner that seeks to ensure the preservation of capital in the overall portfolio. The overall portfolio will maintain an appropriate risk level at all times.
2. **Liquidity.** The availability of sufficient cash to pay for current expenses shall be maintained. A portion of the portfolio shall be maintained in collateralized bank deposits, the State's investment pool (Local Agency Investment Fund), or other highly liquid investments for use to meet the District's disbursement requirements. The Finance Manager shall monitor and forecast the District's disbursement needs to ensure both the availability of cash to make payments as necessary and to ensure the investment of District resources to the extent reasonably possible.
3. **Yield.** The investment portfolio shall be designed to attain a market average rate of return throughout economic cycles, considering the District's risk constraints, the composition and cash flow characteristics of the portfolio, and applicable laws.

In order to facilitate the management of the investment program, the District's portfolio is divided into two sub-portfolios:

1. The Liquidity Sub-Portfolio, which is comprised of funds needed for current operating expenses and capital requirements; and
2. The Reserve Sub-Portfolio, which is comprised of funds reserved for long-term needs.

The investment objectives of both the Liquidity Sub-Portfolio and the Reserve Sub-Portfolio are, in order of priority, Safety, Liquidity, and Yield. However,

because the two sub-portfolios have different investment time horizons, the two sub-portfolios have different risk constraints.

VII. Performance Standards

The District shall establish a performance benchmark for each sub-portfolio, and each sub-portfolio shall be managed with the goal of earning a rate of return equal to or exceeding the designated benchmark while maintaining an approximately equal level of risk. The Finance Manager, or designee, shall monitor and evaluate each sub-portfolio's performance and risk relative to the designated benchmark and shall report such performance and risk level to the Board of Directors in the monthly and annual reporting. The District shall annually evaluate the suitability of the designated performance benchmarks and may change such benchmarks based on market and economic conditions, investment preferences, cash flow requirements, or other factors.

VIII. Authorized and Permitted Investments

The District is provided a broad range of eligible investments under California Government Code Sections 53600 – 53609 (authorized investments), 53630 - 53686 (deposits and collateral) and 16429.1 (Local Agency Investment Fund). If a type of investment is added to the California Government Code list, it can only be added to the District's Authorized and Permitted Investment List with an amendment to this Investment Policy and approval by the Board of Directors. If a type of investment permitted by the District should become restricted by statute or other regulation, it shall be deemed concurrently removed from the District's Authorized and Permitted Investment List, however, existing holdings may be held until maturity.

One of the purposes of this Investment Policy is to define what investments are authorized and permitted for the District to purchase and hold. This Policy restricts the District's investments to a subset of those eligible and allowable under the California Government Code. Additionally, this Policy further restricts the maximum percentage by certain investment types over that allowable under California Government Code. If a type of security is not specifically authorized by this Policy, it is not an authorized and permitted investment.

This subset of authorized and permitted securities with specific limitations is determined to fit the District's risk tolerance and requirements more closely for liquidity. The following table lists the District's authorized and permitted investments and certain limitations thereon provided by this Investment Policy:

-- Authorized and Permitted Investments --				
Investment Type	Maximum Maturity	Maximum % Holdings	Maximum % per Issuer*	Minimum Rating**
Securities of the U.S. Government	5 Years	100%	100%	N/A
Securities of U.S. Government Agencies and Instrumentalities	5 Years	100%	50%	N/A
Registered State Warrants, Treasury Notes, or Bonds of the State of California	5 Years	25%	10%	N/A
Registered Treasury Notes or Bonds of other states in the United States	5 Years	25%	10%	N/A
Bonds, Notes, Warrants, or Other Evidences of Indebtedness of any Local Agency within the State of California	5 Years	30%	10%	AA
Commercial Paper	270 Days	25%	5%	A-1/P-1 Plus A long term
Corporate or Medium-Term Notes	5 Years	30%	5%	Aa or AA
Money Market Mutual Funds	N/A	20%	5%	AAA
Bonds of Supranational	5 Years	15%	5%	AA
Negotiable Certificates of Deposit	1 Year	20%	5%	N/A
Repurchase Agreements	1 Year	15%	5%	N/A
Bankers' Acceptances	180 Days	25%	5%	A
Local Agency Investment Fund	N/A	100%	N/A	N/A
Collateralized Bank Deposits	N/A	100%	100%	N/A
Asset-Backed Securities	5 Years	20%	5%	AA

*Percentages will be in compliance if within limits at time of purchase.

**Rating categories are inclusive of rating modifiers such as "+/-" or numbers from one NRSRO unless two ratings are noted.

A description of the authorized and permitted investments, which for certain securities includes additional limitations, is provided in the following:

a. Securities of the U.S. Government

Obligations issued by the United States Treasury and backed by the “full faith and credit” of the Federal government. These securities are in the form of U.S. Treasury notes, bills, certificates of indebtedness and bonds. (Legal Authority - Government Code Section 53601(b)).

b. Securities of the U.S. Government Agencies and Instrumentalities

Obligations issued by Federal Government agencies and Government Sponsored Enterprises (U.S. Instrumentalities). Examples include the Federal Farm Credit Bank (FFCB), the Federal Home Loan Bank (FHLB), the Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC), the Government National Mortgage Association (GNMA), the Federal Agricultural Mortgage Corporation (FAMC), and the Tennessee Valley Authority (TVA). Such securities are obligations of the Federal agencies or United States government-sponsored enterprises. (Legal Authority – Government Code Section 53601 (f)).

c. Registered State Warrants, Treasury Notes, or Bonds of the State of California

Registered State warrants, treasury notes or bonds issued by the State of California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state. (Legal Authority – Government Code Section 53601(c)).

d. Registered Treasury Notes or Bonds of Other States in the United States

Registered treasury notes or bonds issued by any of the other 49 states in addition to the State of California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California. (Legal Authority – Government Code Section 53601(d)).

e. Bonds, Notes, Warrants, or Other Evidences of Indebtedness of any Local Agency within the State of California

Bonds, notes, warrants, or other evidences of indebtedness of any local agency within the State of California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by a local agency, or by a department, board, agency or authority of the local agency. (Legal Authority - Government Code Section 53601(e)).

f. Commercial Paper

Commercial paper issued by corporations to meet short term funding needs with a maturity date of less than 270 days from the issue date. Investments are restricted to only “prime” quality commercial paper with the highest ranking or of the highest letter and numerical rating as provided for by a NRSRO. (Legal Authority - Government Code Section 53601(h)). Per California Government Code Section 53601 (h), the entity that issues the commercial paper shall meet all of the following conditions in either A or B below:

- a. The entity shall (1) be organized and operating in the United States as a general corporation, (2) have total assets in excess of five hundred million dollars (\$500,000,000) and (3) have debt other than commercial paper, if any, that is rated "A" or higher by a NRSRO.
- b. The entity shall (1) be organized within the United States as a special purpose corporation, trust, or limited liability company, (2) have program wide credit enhancements, including, but not limited to, over collateralization, letter of credit or surety bonds and (3) have commercial paper that is rated "A -1" or higher, or the equivalent, by a NRSRO.

g. Corporate or Medium-Term Notes

Corporate or medium-term notes are obligations of a domestic corporation or depository institution with a minimum credit rating of "Aa" by Moody's Investor Service or equivalent rating by another NRSRO at the time of purchase. If the credit rating of a security is subsequently downgraded below the minimum rating level for a new investment of that security, the Treasurer shall evaluate the downgrade on a case-by-case basis in order to determine if the security should be held or sold. The Treasurer will apply the general objectives of safety, liquidity, yield and legality to make the decision. (Legal Authority-Government Code Section 53601(k)).

h. Money Market Mutual Funds

Money market mutual funds qualifying for District investment must restrict their portfolios to issues approved by the same state investment statute that defines investment alternatives. In addition, these money market mutual funds must adhere to Federal statutes regarding the size of the money market mutual fund and its safety, must attain the highest ranking of two of the three highest ranking NRSRO and must retain an investment advisor registered with the Securities and Exchange Commission with not less than five years' experience investing assets of at least five hundred million dollars. The money market mutual funds must invest solely in investments, which the District itself could legally purchase. (Legal Authority-Government Code Section 53601(l)).

i. Bonds of Supranational

Senior unsecured unsubordinated obligations (United States dollar denominated) issued by or unconditionally guaranteed by one of the three supranational banking groups: International Bank for Reconstruction and Development (World Bank or IBRD), International Finance Corporation (IFC), and Inter-American Development Bank (IADB). Supranational banks are formed by a group of countries through an international treaty with specific objectives such as fighting poverty or promoting economic development and have been incorporated into U.S. Federal Law by Congressional Acts. Investments shall be rated "AA" or better by an NRSRO and have a remaining maturity of five years or less. (Legal Authority – Government Code Section 53601(q)).

j. Negotiable Certificates of Deposit

Negotiable certificates of deposit issued by a nationally or state-chartered bank or a federal association, a state or Federal credit union, or by a federally licensed or state licensed branch of a foreign bank. The term of negotiable certificates of deposit is restricted to a minimum of 7 days and a maximum of one year. (Legal Authority – Government Code Section 53601(i)).

k. Repurchase Agreements

Repurchase agreements are short-term investment transactions whereby one party buys temporarily idle funds from another party by selling the other party U.S. Government or other securities with a contractual agreement to repurchase the same securities on a future date at an agreed upon interest rate. Repurchase agreements are typically for one to ten days in maturity. The party purchasing the idle funds pays the other party interest that reflects the prevailing demand for Federal Funds and the maturity of the repurchase agreement. Repurchase agreements must be collateralized. (Legal Authority – Government Code Section 53601 (j)).

l. Bankers' Acceptances

Bankers' acceptances are short-term debt instruments issued by a company that is guaranteed by a commercial bank. Bankers Acceptances are limited to banks with a bank financial strength rating of "A" by Moody's Investor Service or equivalent rating by another Nationally Recognized Statistical Rating Organization. (Legal Authority - Government Code Section 53601(g)).

m. Local Agency Investment Fund (LAIF)

The Local Agency Investment Fund (LAIF) is a special fund in the California State Treasury created and governed pursuant to Government Code Sections 16429.1 et seq. Investments in LAIF are limited to the maximum amount as specified by LAIF. A principal amount withdrawal of \$10 million or greater needs 24-hour notice and less than \$10 million may be withdrawn the same day. The fees charged by LAIF are limited by statute. (Legal Authority – Government Code Section 16429.1)

n. Collateralized Bank Deposits

Section X of this Investment Policy addresses collateralization requirements for deposits. These are authorized by California Government Code Section 53637.

o. Asset-Backed Securities

Asset-backed securities include mortgage pass-through securities, collateralized mortgage obligations, mortgage-backed or other pay-through bonds, equipment lease-back certificates, consumer receivable pass-through certificates, or consumer receivable-backed bonds with a maximum remaining maturity of five years or less. Securities eligible for investment under this subdivision shall be rated in a rating category "AA" or its equivalent or better by a NRSRO. Asset-backed securities may not exceed 20% of the District's portfolio.

IX. Authorized Financial Institutions, Financial Broker/Dealers, and Investment Advisors

The District Finance Manager shall establish and maintain a list of authorized financial institutions, broker/dealers and investment advisors. Only those broker/dealers and investment advisors authorized by the Committee shall provide services to the District. Upon the recommendation of the Committee, the Board of Directors shall consider authorizing financial institutions to provide services to the District.

For authorized financial institutions providing depository and investment services to the District the District Finance Manager shall annually perform a review of the financial condition and registrations of the authorized institutions including their annual audited financial statements.

For authorized brokers/dealers and investment advisors providing investment services to the District, annually, or as this Investment Policy is updated, the District shall send a copy of the current Investment Policy to authorized broker/dealers and authorized investment advisors requesting confirmation in writing that the Investment Policy has been read and reviewed by the person(s) handling the District's account and that they agree to comply with the Investment Policy's provisions when recommending, selling, advising or providing service on District investments.

(a) Depositories

In selecting depositories (banks or savings & loans), the creditworthiness of institutions shall be considered, and the Committee shall conduct a review of prospective depositories' credit characteristics and financial history. District funds in excess of the FDIC insured amount shall be invested (deposits and/or certificates of deposit) only in commercial banks and savings & loans with a bank financial strength rating of "A" by Moody's Investor Service or equivalent rating by another Nationally Recognized Statistical Rating Organization (NRSRO). A written depository contract is required with all institutions that will hold District deposits (Contract for Deposit of Moneys).

The minimum qualifications for a financial institution providing banking services are listed below. Additional qualifications may be required as determined by the Treasurer:

- Federal or State of California charter financial institution [Member of Federal Reserve].
- Qualified depository of public funds to ensure the collateralization requirements for governmental entities are met.

- Experienced with providing banking services to similar sized and type governmental agencies to ensure the District's banking needs will be met and possesses familiarity with reporting and other banking requirements for governmental agencies.
- Sufficiently capitalized to accommodate the District's cash needs including a minimum \$1 million daylight overdraft facility.
- Electronic capabilities to meet the District's current banking needs, which saves staff time. Currently, these include safe keeping, positive pay, payroll direct deposit, lock box service, bill concentration, electronic fund transfers, electronic blocks and filters, electronic receivables, credit card processing and remote deposit.
- Access to all Federal Reserve Bank services including direct clearing with the Federal Reserve Bank.
- Banking branch in local area.
- State of California depository.

(b) Broker-Dealers

All broker-dealers that desire to become authorized to do business with the District must submit current audited financial statements, proof of State of California registration, proof of FINRA (Financial Industry Regulatory Authority) registration and a certification they have reviewed the District's Investment Policy and agree to comply with its provisions. The Committee may establish any additional criteria deemed appropriate to evaluate and approve any financial services provider. The selection process for broker-dealers shall be open to both "primary dealers" and "secondary/regional dealers" that qualify under Securities and Exchange Commission Rule 15c3-1 (Uniform Net Capital Rule). The provider's representative must be experienced in institutional trading practices and familiar with the California Government Code as it relates to investments by a public entity.

(c) Investment Advisors

The District may engage the services of outside professionals for evaluation and advice regarding the District's investment program. An authorized investment advisor may provide investment services, which may include facilitating trade executions and portfolio management, on a discretionary basis and based on an agreed-upon investment strategy. Services provided by any investment advisor must be pursuant to a written contract between the District and the investment advisor that has been approved the District's Board of Directors. Investment advisors shall be subject to the provisions of this Investment Policy and must act in the best interest of the District in the capacity of a fiduciary. For investment transactions initiated by an investment advisor on the District's behalf, the investment advisor may use its own list of approved broker-dealers and financial institutions for investment

purposes. The investment advisor's approved list must be made available to the District upon request.

X. Collateralization

A financial institution must provide coverage for at least 110 percent of all District deposits that are placed in the institution. Acceptable pooled collateral requirements are governed by California Government Code Section 53651. Although permitted by California Government Code (Section 53651(m)), real estate mortgages are not considered acceptable collateral for District deposits. All banks are required to provide the District with a regular statement of pooled collateral. This report will state that they are meeting the 110 percent collateral rule (Government Code Section 53652(a)), a listing of all collateral with location and market value, plus an accountability of the total amount of deposits secured by the pool.

The market value of the collateral must not fall below 110 percent of the value of the deposit(s) at any time. The District will maintain a first perfected security interest in the securities pledged against the deposit and shall have a contractual right to liquidation of pledged securities upon the bankruptcy, insolvency or other default of the counter party.

As per section 53638 of the California Government Code, any deposit shall not exceed the total paid-up capital and surplus of any depository bank, nor shall the deposit exceed the total net worth of the depository institution.

Deposits that are within the Federal Deposit Insurance Corporation (FDIC) insured limit amounts are exempt from the District's collateralization and minimum bank financial strength rating requirements.

Repurchase Agreements shall be collateralized in accordance with terms specified in the Master Repurchase Agreement. The valuation of collateral securing a Repurchase Agreement shall be verified and monitored on a daily basis to ensure a minimum of 102% of the value of the transaction being held by the District's depository agent. All collateral used to secure this type of transaction is to be delivered to a third party prior to release of funds. The third party shall have an account in the name of the District. The collateralization level for Repurchase Agreements shall be a minimum of 102 percent of the market value of the principal and accrued interest. The right of substitution will be granted provided that permissible collateral is maintained. In order to conform with provisions of the Federal Bankruptcy Code which provides for the liquidation of securities held as collateral for Repurchase Agreements, the only securities acceptable as collateral shall be securities that are direct obligations of and guaranteed by the United States Government, its Agencies or U.S. Instrumentalities with a maximum maturity of 5 years. The District shall maintain a first perfected security interest in the securities subject to the Repurchase Agreement and shall have a contractual right to liquidation of purchased securities upon the bankruptcy, insolvency

or other default of the counter party. Repurchase Agreements may only be made with banks and primary dealers with which the District has entered into a Master Repurchase Agreement modeled after the Public Securities Associations' Master Repurchase Agreement. In all other respects, Repurchase Agreements shall conform to the restrictions set forth in Government Code Section 53601(j).

XI. Safekeeping/Custody

Investment securities are to be purchased when possible in book-entry form in the District's name. All deliverable securities owned by the District shall be held in safekeeping by a third-party bank trust department acting as an agent for the District under the terms of a written custody agreement executed by the bank and the District. All investment transactions require the bank to provide safekeeping receipt or acknowledgement generated from the transaction. All security transactions, including collateral for repurchase agreements, entered into by the District shall be conducted on a delivery-versus-payment basis. The safekeeping institution is required to provide a listing of all securities held in safekeeping with current market data and other information on a monthly basis.

XII. Diversification and Risk

The District recognizes that investment risks can result from issuer defaults, market price changes or various technical complications leading to temporary illiquidity. To minimize the District's exposure to these types of risk, the portfolio should be diversified among several types of institutions, instruments and maturities. The District Finance Director, or designee, shall minimize default risk by prudently selecting only instruments and institutions which at the time of placement have been evaluated for their financial viability and compliance with this Policy. Risk shall also be managed by subscribing to a portfolio management philosophy that helps to control market and interest rate risk by matching investments with cash flow requirements. In the event of a default by a specific issuer, the Committee shall evaluate the liquidation of securities having comparable credit risks.

No individual investment transaction shall be undertaken which jeopardizes the total capital position of the overall portfolio, therefore the overall portfolio limits by issuer shall not exceed the amounts presented in the table in Section VIII.

XIII. Maximum Maturities

Every effort will be made to match investment maturities to cash flow needs. Matching maturities with expected cash flow needs will reduce the need to sell securities prior to maturity, thus reducing market risk. The portfolio's maximum weighted average maturity (WAM) shall not exceed 2½ years. Maximum maturities by authorized and permitted investments are included in Section VIII. Unless matched to a specific requirement and approved by the Board of Directors, no investment may be made with a maturity greater than five (5) years. If greater than five-year maturity investments are approved and allowable by the Board of Directors, purchases of the investment instruments exceeding the five-year maturity shall not be made until after said approval.

XIV. Internal Control and Policy Review

The District Finance Subcommittee will maintain a system of internal controls designed to ensure that the assets of the District are protected from loss, theft, or misuse. The internal controls shall address the following items:

- Separation of duties.
- Custodial safekeeping.
- Avoidance of physical delivery securities.
- Written confirmation for investment purchases.
- Development of wire transfer agreements with depository banks or third-party custodians.
- Monitoring for legal compliance.

The District Finance Subcommittee shall review this Investment Policy at least annually to ensure that the Policy is consistent with current laws and regulations and provides the appropriate parameters within which the District's investment program is conducted. As necessary, the District Finance Subcommittee shall make recommendations to the Board of Directors regarding revisions to the Investment Policy. In accordance with the California Government Code, the District Finance Subcommittee shall annually submit this Investment Policy to the Board of Directors for review and approval.

XV. Reporting

Monthly investment reports will be submitted by the District Finance Manager to the Board of Directors. These reports will disclose, at a minimum, the following information about the characteristics of the District's portfolio:

1. For each investment, the monthly report will describe the type of investment, issuer, date of maturity, par and dollar amount invested, yield to maturity, credit quality, duration, and current market value as of the date of the report.
2. Transactions for the month covered by the report.
3. A summary of the portfolio that includes:
 - a. Average maturity and modified duration of the portfolio.
 - b. Maturity distribution of the portfolio.
 - c. Average portfolio credit quality.
 - d. Time-weighted total rate of return for the portfolio for the prior one month, three month, twelve month, year to date, and since inception compared to the designated benchmarks for the same periods.
4. A statement of compliance with the Investment Policy.
5. A statement that the District has adequate funds to meet its cash flow requirements for the next six months.

Glossary

Asset-backed securities (ABS) are securities whose income payments and hence value is derived from and collateralized (or "backed") by a specified pool of underlying assets which are receivables. Pooling the assets into financial instruments allows them to be sold to general investors, a process called securitization, and allows the risk of investing in the underlying assets to be diversified because each security will represent a fraction of the total value of the diverse pool of underlying assets. The pools of underlying assets can comprise common payments credit cards, auto loans, mortgage loans, and other types of assets. Interest and principal is paid to investors from borrowers who are paying down their debt.

Bankers' Acceptances are short-term credit arrangements to enable businesses to obtain funds to finance commercial transactions. They are time drafts drawn on a bank by an exporter or importer to obtain funds to pay for specific merchandise. By its acceptance, the bank becomes primarily liable for the payment of the draft at maturity. An acceptance is a high-grade negotiable instrument.

Broker-Dealer is a person or a firm who can act as a broker or a dealer depending on the transaction. A broker brings buyers and sellers together for a commission. They do not take a position. A dealer acts as a principal in all transactions, buying and selling for his own account.

Bond refers to a financial obligation for which the issuer promises to pay the bondholder a specified stream of future cash flows, including periodic interest payments and a principal repayment.

Book Entry is a system of recording securities ownership through electronic accounts. In book-entry-only issues, investors do not receive physical certificates evidencing security ownership, but a custodian holds one or more global certificates.

Certificates of Deposit

1. **Negotiable Certificates of Deposit** are large-denomination CDs issued in \$1 million increments. These securities have average trades in the secondary market of \$5 million to \$10 million. They are issued at face value and typically pay interest at maturity, if maturing in less than 12 months. CDs that mature beyond this range pay interest semi-annually. Negotiable CDs are issued by U.S. banks (domestic CDs), U.S. branches of foreign banks (Yankee CDs), and thrifts. There is an active secondary market for negotiable domestic and Yankee CDs. However, the negotiable thrift CD secondary market is limited. Yields on CDs exceed those on U.S. treasuries and agencies of similar maturities. This higher yield compensates the investor for accepting the risk of reduced liquidity and the risk that the issuing bank might fail. State law does not require the collateralization of negotiable CDs.

2. **Non-negotiable Certificates of Deposit** are time deposits with financial institutions that earn interest at a specified rate for a specified term. Liquidation of the CD prior to maturity incurs a penalty. There is no secondary market for those instruments, therefore, they are not liquid. They are classified as public deposits and financial institutions are required to collateralize them. Collateral may be waived for the portion of the deposits that are covered by FDIC insurance.

Collateral is securities, evidence of deposits, or other property that a borrower pledges to secure repayment of a loan. It also refers to securities pledged by a bank to secure deposits. In California, repurchase agreements, reverse repurchase agreements, and public deposits must be collateralized.

Commercial Paper is a short term, unsecured, promissory note issued by a corporation to raise working capital.

Delivery versus Payment (DVP) is a settlement system in which the transfer of securities and associated payment occur simultaneously. This ensures that the final transfer of the security occurs, if and only if, the final transfer of the associated payment (or other assets) occurs.

Discount refers to the amount by which a bond sells under its par (face) value.

Duration is a measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

Interest Rate Risk is the risk associated with declines or rises in interest rates, which cause an investment in a fixed-income security to increase or decrease in value.

Liquidity refers to the ease and speed with which an asset can be converted into cash without loss of value. In the money market, a security is said to be liquid if the difference between the bid and asked prices is narrow and reasonably sized trades can be done at those quotes.

Local Agency Investment Fund (LAIF) is a special fund in the State Treasury that local agencies may use to deposit funds for investment. There is no minimum investment period and the minimum transaction is \$5,000, in multiples of \$1,000 above that, with a maximum of \$75 million for any California public agency. It offers high liquidity because deposits can be converted to cash in twenty-four hours and no interest is lost. All interest is distributed to those agencies participating on a proportionate share determined by the amounts deposited and the length of time they are deposited. Interest is paid quarterly via direct deposit to the agency's LAIF account. The State keeps an amount for reasonable costs of making the investments, not to exceed one quarter of one per cent of the earnings.

Market Risk is the risk that the value of a security will raise or decline as a result of changes in market conditions.

Market Value is the price at which a security is trading and could presumably be purchased or sold.

Maturity is the date upon which the principal or stated value of an investment becomes due and payable.

Medium-Term Notes are debt obligations issued by corporations and banks, usually in the form of unsecured promissory notes. These are negotiable instruments that can be bought and sold in a large and active secondary market. For the purposes of California Government Code, the term "Medium Term" refers to a maximum remaining maturity of five years or less. They can be issued with fixed or floating-rate coupons, and with or without early call features, although the vast majority are fixed-rate and non-callable. Corporate notes have greater risk than Treasuries or Agencies because they rely on the ability of the issuer to make payment of principal and interest.

Money Market Fund is a type of safe investment comprising a variety of short-term securities with high quality and high liquidity. The fund provides interest to shareholders and must maintain a stable net asset value (NAV) of \$1 per share.

Municipal Obligations are debt instruments issued by a state or local government unit or public agency. The vast majority of municipals are exempt from state and federal income tax, although some non-qualified issues are taxable.

Nationally Recognized Statistical Rating Organization (NRSRO): A credit rating agency registered with the U.S. Securities and Exchange Commission (SEC) that provides ratings that indicate the agency's opinion of the relative credit quality of securities. The three largest NRSROs are Standard & Poor's, Moody's Investors Service, and Fitch Ratings.

Principal describes the original cost of a security. It represents the amount of capital or money that the investor pays for the investment.

Repurchase Agreements are short-term investment transactions. Banks buy temporarily idle funds from a customer by selling him U.S. Government or other securities with a contractual agreement to repurchase the same securities on a future date at an agreed upon interest rate. Repurchase Agreements are typically for one to ten days in maturity. The customer receives interest from the bank. The interest rate reflects both the prevailing demand for Federal Funds and the maturity of the Repo. Repurchase Agreements must be collateralized.

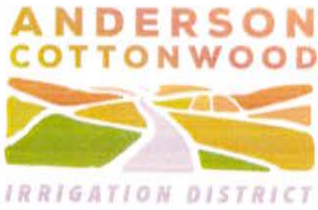
Supranational are United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB), with maximum remaining maturity

of five years or less, and eligible for purchase and sale within the United States.

U.S. Treasury Issues are direct obligations of the United States Government. They are highly liquid and are considered the safest investment security. U.S. Treasury issues include:

1. Treasury Bills that are non-interest-bearing discount securities issued by the U.S. Treasury to finance the national debt. Bills are currently issued in one, three, six, and twelve month maturities.
2. Treasury Notes that have original maturities of one to ten years.
3. Treasury Bonds that have original maturities of greater than 10 years.

Yield to Maturity is the rate of income return on an investment, minus any premium above par or plus any discount with the adjustment spread over the period from the date of the purchase to the date of maturity of the bond.



Dan Woolery,
President, Division 3

James Rickert,
Vice President, Division 5

Ronnean Lund,
Director, Division 1

Audie Butcher,
Director, Division 2

Steve McCarley,
Director, Division 4

Jered Shipley,
General Manager

Date: June 8, 2023 Agenda Item No. 5 G

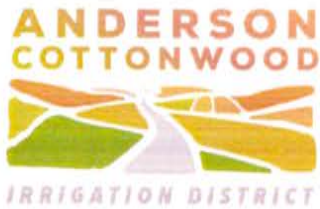
Agenda Title: Discuss and Consider Summer Internship(s), and Possible scope of work

Discussion: Former General Manager Shipley and Board Vice President have had multiple conversations regarding internship opportunities. Shipley has met with one potential intern. With Shipley's departure, the Board may provide direction on whether or not to continue to pursue these opportunities.

Fiscal Impact: Unknown at this time, estimated hourly wage \$20-\$25 per hour

Recommendation: Staff recommends the Board continue to pursue Internship opportunities and develop tasks associated with the position(s)

Attachments: N/A



Dan Woolery,
President, Division 3

James Rickert,
Vice President, Division 5

Ronnean Lund,
Director, Division 1

Audie Butcher,
Director, Division 2

Steve McCarley,
Director, Division 4

Jered Shipley,
General Manager

Date: June 8, 2023 Agenda Item No. 5 H

Agenda Title: Discuss and Consider Comments to Draft Municipal Service Review (MSR) to be presented for adoption at a future Shasta County Local Agency Formation Commission (LAFCO) Meeting

Discussion: N/A

Fiscal Impact: None

Recommendation: N/A

Attachments: Draft Anderson-Cottonwood Irrigation District Municipal Service Review & Sphere of Influence Update

Shasta Local Agency Formation Commission



Municipal Service Review & Sphere of
Influence Update

Anderson-Cottonwood Irrigation District

District Review Draft

May 2023

SHASTA LOCAL AGENCY FORMATION COMMISSION

Commissioners

Patrick Jones, County Member - District 5 Supervisor

Kevin Crye, County Member & Vice Chair - District 1 Supervisor

Stan Neutze, City Member - City of Anderson

Pamelyn Morgan, City Member – City of Shasta Lake

Ronnean Lund, Special District Member – Anderson Cottonwood Irrigation District

Irwin Fust, Special District Member & Chair - Clear Creek Community Services District

Larry Russell, Public Member

Alternate Members:

Mary Rickert, County Member - District 3 Supervisor

Mike Dacquisto, City Member - City of Redding

Fred Ryness, Special District Member – Burney Water District

Michael Spenser, Public Member

Shasta LAFCO Staff:

George Williamson, AICP, Executive Officer

Kathy Bull, Office Manager

James M. Underwood, Legal Counsel

Planwest Partners Staff:

Jason Barnes, GIS Analyst

Cosette McCave, Planning Technician

Acknowledgements:

LAFCO staff would like to thank Municipal Service Review contributors. Input instrumental in completing this report was provided by General Manager Jered Shipley, and Administrative Specialist Katie Hatfield-Trejo.

Table of Contents

<u>Municipal Service Review</u>	1
<u>Sphere of Influence Update</u>	1
<u>Introduction</u>	1
<u>Community Services Districts Overview</u>	1
<u>Principal Act</u>	Error! Bookmark not defined.
<u>Service Review Determinations</u>	1
<u>Sphere of Influence Determinations</u>	2
<u>Uses of the Report</u>	3
<u>Review Methods</u>	3
<u>California Environmental Quality Act</u>	3
<u>Common Topics for an Agency Profile</u>	4
<u>Agency Profile</u>	5
Formation.....	5
CSD Boundary and Sphere	5
Other Service Providers.....	6
Existing and Planned Land Uses	6
Growth and Population	6
Disadvantaged Unincorporated Communities	9
Municipal Services	9
Financial Overview.....	15
Accountability and Governance	16
Municipal Service Review Determinations	21
Sphere of Influence Determinations	22
Figures	
<u>Figure 1: ACID Boundary and Proposed Sphere of Influence</u>	7
<u>Figure 2: ACID Land Uses</u>	8
Tables	
Table 1: ACID Overview Summary.....	5
Table 2: ACID Water Use Rates	11
Table 3: ACID Budgets	15
Table 4: ACID Board of Directors.....	16

MUNICIPAL SERVICE REVIEW SPHERE OF INFLUENCE UPDATE

Introduction

Municipal Services Reviews (MSRs) provide agency infrastructure, management, services & boundary information. The report is for Shasta Local Agency Formation Commission's (LAFCO) use in conducting a statutorily required MSR review process. The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) requires that the Commission conduct periodic reviews for cities & special districts in Shasta County (Government Code § 56425).

State law also requires that, prior to Sphere of Influence (SOI) adoption, LAFCO must conduct a review of municipal services provided by that local agency (Government Code §56430). This report provides LAFCO with a tool to study current & future public service conditions comprehensively & evaluate organizational options for accommodating growth, preventing urban sprawl, & ensuring that critical services are provided efficiently.

Irrigation Districts Overview

Community Services Districts are independent special districts under the California Water Code Law (Government Code §22225, et seq.). They can provide irrigation water to unincorporated areas.

California Water Code

The California Water Code is the law governing irrigation districts (Government Code §22225, et seq.) which authorizes irrigation districts to provide irrigation water services within their boundaries. Anderson-Cottonwood Irrigation District (ACID) is authorized to provide irrigation water services.

Regional Water Management Planning

The Anderson Cottonwood Irrigation District is a participant in the Sacramento Valley Regional Water Management Plan (RWMP). This plan is periodically updated, with the most recent RWMP Annual Update prepared by the Sacramento River Settlement Contractors (SRSC), in cooperation with the U.S. Bureau of Reclamation. These updates are in accordance with Regional Criteria for Evaluating Water Management Plans for the Sacramento River Contractors (Regional Criteria). The Sacramento Valley RWMP was initially completed in 2007. The Regional Criteria specify that annual updates report on implementation actions taken, along with any RWMP additions and revisions. RWMP Annual Updates include updated information and status on numerous topics included as part of the RWMP.

Service Review Determinations

Government Code §56430 requires LAFCO to conduct a review of municipal services provided in the county by region, sub-region or other designated geographic area, as appropriate, for the service or services to be reviewed, and prepare a written statement of determination with respect to each of the following topics:

- (1) Growth and population projections for the affected area;
- (2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the SOI;
- (3) Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies (including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the SOI)
- (4) Financial ability of agencies to provide services;
- (5) Status of, and opportunities for, shared facilities;
- (6) Accountability for community service needs, including governmental structure and operational efficiencies; and
- (7) Any other matter affecting or related to effective or efficient service delivery, as required by Commission policy.

This service review provides an overview of the Irrigation District along with an agency profile. The report also includes service review determinations and sphere of influence recommendations for:

Anderson-Cottonwood Irrigation District

State Guidelines and Commission policies encourage stakeholder cooperation in the municipal service review preparation. It also provides a basis to evaluate, and make Spheres of Influence updates, if appropriate.

Sphere of Influence Determinations

A SOI is a LAFCO-approved boundary that designates an agency's probable physical service area. Spheres are planning tools used to provide guidance for individual boundary change proposals and are intended to encourage efficient provision of organized community services, discourage urban sprawl and premature conversion of agricultural and open space lands, and prevent overlapping jurisdictions and duplication of services.

LAFCO is required to establish SOIs for all local agencies and enact policies to promote the logical and orderly development of areas within the SOIs. Furthermore, LAFCO must update those SOIs every five years. In updating the SOI, LAFCO is required to conduct a MSR and adopt related determinations. In addition, in adopting or amending an SOI, LAFCO must make the following determinations:

- (1) Present and planned area land uses, including agricultural and open-space lands;
- (2) Present and probable need for public facilities and services in the area;
- (3) Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide;
- (4) Existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency; and
- (5) Present and probable need for public facilities and services related to sewers, municipal or industrial water, or structural fire protection of any disadvantaged unincorporated communities in the existing SOI (effective July 1, 2012).

Uses of the Report

This service review provides the opportunity to identify trends relating to the adequacy, capacity, and cost of providing services in rural areas of Shasta County. Service reviews may identify district boundary changes, where appropriate, to extend services; evaluate consolidation feasibility and implement other measures to address community irrigation needs. The potential report uses are described below.

To Update Spheres of Influence

MSRs serve as the basis for SOI updates which considers territory LAFCO believes represents an agency's appropriate future jurisdiction and service area. Boundary changes, such as annexations, must be consistent with an agency's SOI with limited exceptions.

To Consider Jurisdictional Boundary Changes

LAFCO is *not* required to initiate any boundary changes based on service reviews. However, LAFCO, other local agencies (including cities, special districts, or the County), or the public may subsequently use this report together with additional research and analysis, where necessary, to pursue changes in jurisdictional boundaries.

Resource for Further Studies

Other entities and the public may use this report for further study and analysis of issues relating to Irrigation Districts and municipal services in Shasta County.

Review Methods

The following information was considered in the service review:

- o Agency-specific data: responses to LAFCO Requests for Information from Anderson-Cottonwood ID, maps, district plans and agency correspondence;
- o Land Use and Shasta County General Plan data: Shasta County Resource Management –Planning Division;
- o Demographic data: U.S. Census; CA Finance Department & Water Resources Board;
- o Finances: budgets, rates and fees; and
- o Other Reports and Assessments: State Water Resources Control Board citation.

Information gathered was analyzed and applied to make the required determinations for the agency and reach conclusions about the focus issues identified in the service review. All information gathered for this report is filed by LAFCO for future reference.

California Environmental Quality Act

The California Environmental Quality Act (CEQA) is contained in Public Resources Code §21000 *et seq.* Under this law, public agencies are required to evaluate the potential environmental effects of their actions. MSRs are statutorily exempt from CEQA pursuant to §15262 (feasibility or planning studies) and categorically exempt pursuant to CEQA Guidelines §15306 (information collection). It should be noted that when LAFCO acts to update an SOI, CEQA requirements must be satisfied. The lead agency for CEQA compliance would most likely be LAFCO.

Common Agency Profile Topics

Several topics are evaluated in an agency profile. Those topics are defined in this section and discussed further in the agency profile.

Disadvantaged Unincorporated Communities

LAFCO is required to evaluate disadvantaged unincorporated communities (DUCs) as part of its municipal service review process. Per California Senate Bill 244, a DUC is defined as any area with 12 or more registered voters where the median household income (MHI) is less than 80 percent of the statewide MHI. Within a DUC, three basic services are evaluated: water, sewer and fire protection.

The most recently available data for US Census Block Groups, Tracts and Places from the US Census American Community Survey (ACS) 5-Year Data is used to determine disadvantaged communities in the region of interest. Using this information, each district or agency is evaluated to determine whether it is a DUC, or in the case of cities, whether there are DUCs within the city's SOI. In many cases, Census Block Groups are larger than Districts.

Shasta County Growth Projections

Between 2014 and 2018, the estimated Shasta County population grew from 178,520 to 180,040 people, an average annual growth rate of 0.17 percent¹. When reviewing population data, it is important to distinguish between population changes that affect the entire County and unincorporated area, which can be affected by annexations and other boundary changes. The unincorporated area currently makes up about 38% of the County's total population. The California Department of Finance projects the County's population will increase from 179,412 to 188,154, between 2020 and 2030, an average annual growth rate of 0.49%². If the unincorporated area's portion of the County remains near 38%, the population would increase from 68,177 to 71,499.

According to the most recent California Department of Finance estimate, the Shasta County population decreased by 0.1% from 2018 to 2019³. This could be the result of recent wildfires. For report purposes an annual population growth estimate of 0.17% to 0.49% is used to predict the future population range that may be served by during this MSR cycle.

Existing and Planned Land Uses

Land use within the unincorporated portion of the districts is subject to the Shasta County General Plan and Zoning Regulations, which was last updated in 2004.

Governance and Accountability

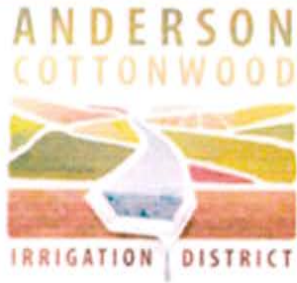
Anderson-Cottonwood ID operates as an independent special district under an elected Board of Directors pursuant to California Water Code (Government Code §21375, et seq.).

¹ US Census Bureau, 2014-2018 American Community Survey 5-year Estimates for Shasta County (Table S0101). Accessed July 5, 2020.

² California Department of Finance, Projections, P-1: State Population Projections (2010-2060), Total Population by County (1-year increments).

³ California Department of Finance, E-1 Cities, Counties, State Population Estimates– January 1, 2018, 2019, May 2019.

AGENCY PROFILE



This section profiles the Irrigation District listed below. Included in the profile is a description of the agency's organizational development, tables listing key service information, and maps showing jurisdictional boundaries.

The Anderson-Cottonwood Irrigation District provides supplemental water under long-term agreements to the Bella Vista Water District, the City of Shasta Lake, and the Shasta Community Services District (CSD). They also provide water to the communities of Anderson and Cottonwood, as well as some residents in south Redding.

Table 1: Anderson-Cottonwood ID Overview Summary

Primary Contact	Jered Shipley, General Manager j.shipley@acidistrict.org		
Address & Phone #:	810 Silver Street Anderson, CA 96007	530-365-7329	
Website	https://www.andersoncottonwoodirrigationdistrict.org/		
Services Provided	Irrigation Water		
Population Served:	4,100	District Size:	35,169 acres

Formation

The Anderson-Cottonwood ID was formed in 1914 to provide irrigation water, obtained from the Sacramento River diversion dam and headworks.

Irrigation District Boundary and Sphere of Influence

The District boundary is shown in Figure 1. The District is located partially in the City of Redding and extends south into Tehama County. It includes portions of the City of Anderson and Town of Cottonwood. The District overlaps the service area boundaries of these water purveyors but does not provide water for municipal and industrial uses in these communities.

The Sphere extends beyond the boundary in several areas covering an additional 3,720 acres. The District boundary based on State Board of Equalization Tax Rate Area (TRA) mapping extends outside the SOI. A SOI update is proposed to reconcile this.

- Anderson-Cottonwood Irrigation District Boundary - 35,169 acres
- District Boundary with Updated (TRA match) Sphere of Influence - 38,889 acres
- District Within City of Redding - 3,193 acres
- District within City of Anderson 3,562 acres

Annexations and Detachments since last MSR

None

Other Service Providers

Several other service providers operate within the Anderson-Cottonwood Irrigation District boundaries. These are described below.

The Shasta Mosquito and Vector Control District (SMVD) encompasses the Cities of Redding, Anderson, and Shasta Lake, the entire I-5 corridor through the county, Lakehead area and unincorporated areas to the west and east of Anderson. The current area of SMVD is approximately 1,291 square miles. The District monitors and controls mosquito populations through their focus on juvenile populations more concentrated and easier to abate using physical, biological, and chemical methods. The District also works on adult mosquito control activities and monitors for other vectors including ticks and rodents.

County Service Area (CSA) #1 Shasta County Fire's boundary is coterminous with the County boundary, excluding any areas with independent fire districts and areas served by cities. Shasta County Fire covers approximately 3,251 square miles and serves a population of over 70,000. They offer fire protection, fire suppression, and emergency medical services. Station No. 52 has a joint use agreement with the District for partial use of the building.

A portion of the City of Anderson is served by the District. The City of Anderson provides water, wastewater, law enforcement, parks and recreation, planning, transportation planning, street maintenance, and building inspection to their residents. According to the 2020 U.S. Census, the City had a total population of 11,323. The City of Anderson covers approximately 4,627 acres within their boundary and has a total City and SOI acreage of 8,379 acres.

The City of Redding has incorporated area within the District's boundary. The City of Redding offers its residents a full range of municipal services, such as, parks and recreation, housing and community development, police, solid waste, fire, and public works.

Western Shasta Resource Conservation district encompasses approximately 1.7 million acres bounded on the east by the watershed divide between eastern and western Shasta County; the north by the Siskiyou County line; the west by the Trinity County line; and the south by the Tehama County line. The District serves a population of 64,000. They provide support for projects in wetland and riparian habitat restoration, habitat mitigation, and fire protection, including increasing forest health and defensible space.

Existing and Planned Land Uses

Land Use

Shasta County Land Use designations in ID shown in Figure 2. Land use includes... City land uses include industrial (I), mixed use (MU) and public facility (PF).

Zoning

District Zoning is varied, with a mix of more rural County land uses in unincorporated areas and more urban uses in Cities of Redding and Anderson.

Growth and Population

According to the most recent American Community Survey 5-year estimate (2014-2018) and Shasta County GIS parcel data, the Anderson-Cottonwood population is 4,100.

**Anderson-Cottonwood Irrigation District
Municipal Service Review & Sphere of Influence**

Figure 1. District Boundary and Proposed Sphere of Influence.

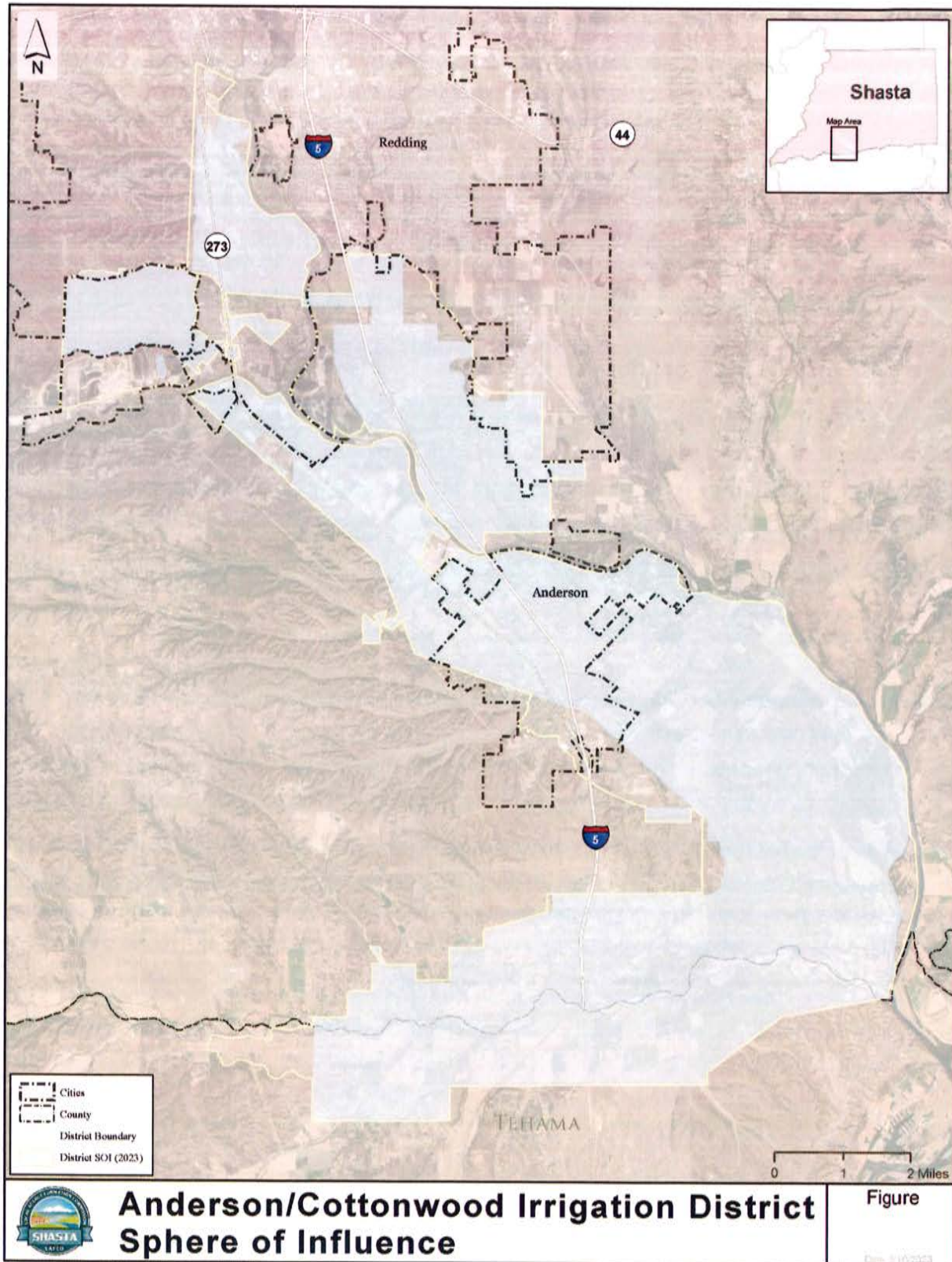
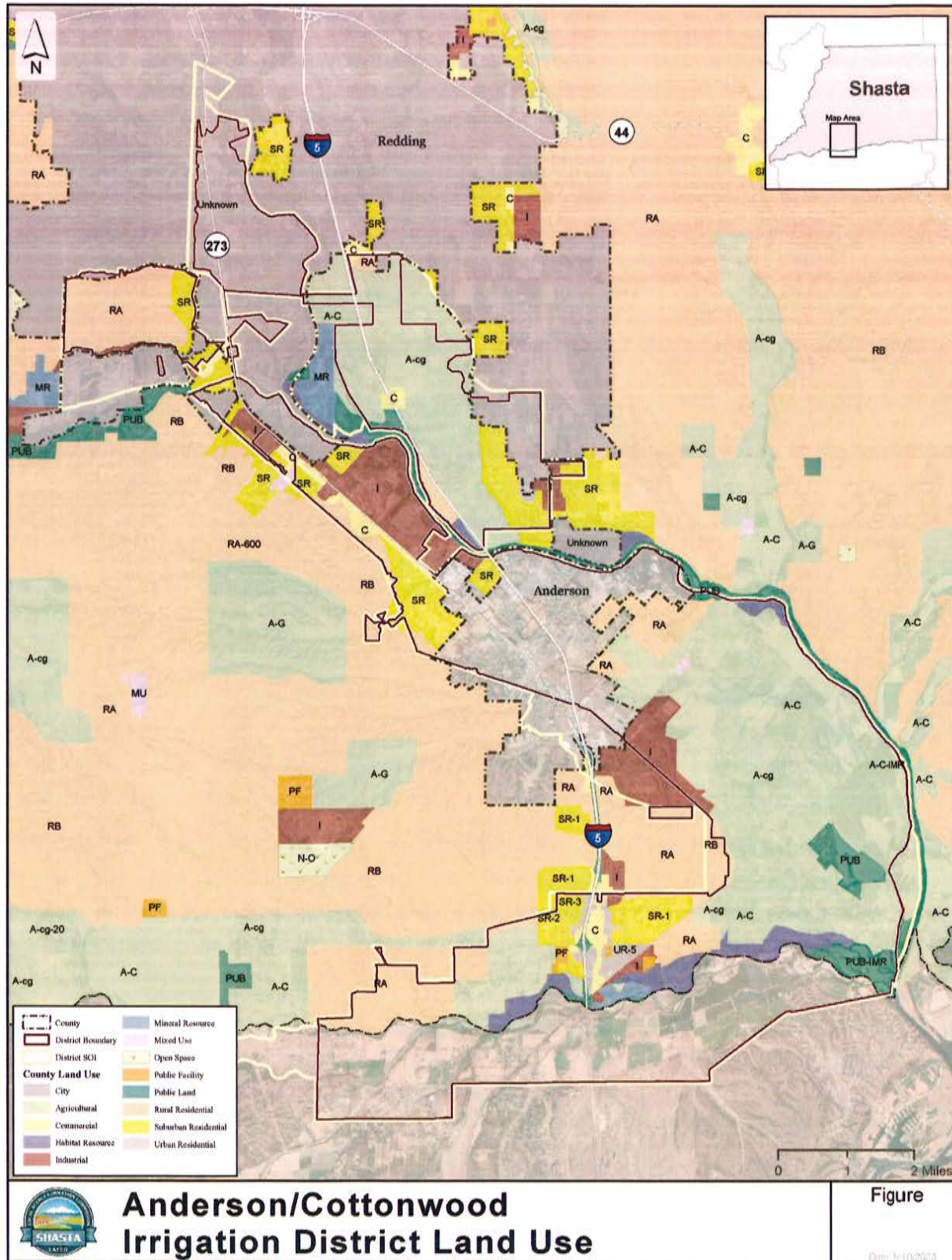


Figure 2. Land Uses



Disadvantaged Unincorporated Communities

Since irrigation water supply and distribution is the only service the District provides, the District has no role in providing services (potable water, wastewater, fire services) that play a role in DUC determination and as such this would not be a factor in the SOI Update or future annexation considerations.

Median Household Income

Households on the 1,240 parcels in the District have a MHI above the State average.

Municipal Services

Anderson-Cottonwood ID provides irrigation water services to the-Cottonwood community, portions of the Cities of Anderson and Redding and surrounding areas within the District Boundary.

Irrigation Water Services

The District has four sub-regions, or areas, each having their own ditch tender. Ditch tenders maintain water levels and deliveries in their respective areas. They also help to start, stop, and record deliveries to customers. Customers receive deliveries from the District on a rotation of once every two weeks. Turnouts are sized and deliveries are based on the premise that 5 cubic feet per second (cfs) will irrigate 1 acre in 1 hour.

Customers apply for water in March prior to the beginning of the irrigation season. Water orders identify the assessor parcel number(s) together with the number of acres to be irrigated. Customers are charged annually for water based on the number of acres ordered. The District's water charges include an application fee that is payable in two installments. The first being due with the application and the second being due in mid-May.

Facility Improvements Policy

The District's Facility Improvements Policies (summarized from 2013 revisions) include:

1. Committing to repairing, replacing and expanding physical facilities in order to (1) perpetuate and enhance District services and (2) minimize the significant risks, hazards, and nuisances associated with those facilities.
2. Including capital improvement projects and funding in its annual budget plan. The level of funding shall be as approved by the Board in the annual budget.
3. Developing annual budget proposals that targets at least 25% of the District's total annual expenditures for capital improvement projects.
4. Specific projects or programs included in the preliminary capital improvement budget proposal shall be selected based on achieving multiple objectives.
5. Capital improvement projects funding emphasizing use of revenues generated from surplus water sales to other public agencies or non-district customers.
6. Developing and annually updating a five-year capital improvement plan for consideration and adoption by the Board of Directors as part of the annual budget development process.

2023 Water Service Application and Agreement

As a condition of receiving irrigation water service, applicants and landowners enter into an agreement to follow District Rules and Regulations, policies and with applicable State and Federal regulations. The agreement includes full responsibility and liability for use or misuse of delivered water, including damages to adjoining property due to failure to adequately control delivered water. Applicants agree to accept the District's water service terms and conditions. The District reserves the right to adjust water service rates when required based on District economic needs. The agreement stipulates that water use charges not paid, may be added as a property assessment.

The application limits District liability for any damages from improper construction, maintenance or use of District facilities, or the delivery or failure to deliver water, or the waste of water, or by permitting the flow of water, or diverting water. Disputes are resolved by arbitration.

Water Supply:

The District water supply is received from the Sacramento River. The majority of the District's supply is diverted from the Sacramento River at Caldwell Park in Redding, through a gravity feed enabled by a diversion dam across the river. The District also has a supplemental supply from a small pumping plant on the river on the south end of Redding. The District's current maximum allowable water allotment, through the U.S. Bureau of Reclamation's Central Valley Project (CVP) and "Exchange" is 125,000 acre-feet (ac-ft) annually (2,900 ac-ft and 900 ac-ft, respectively). The 2,900 ac-ft CVP water is subject to availability in a given year.

The board considered the BOR 18% allocation or 22,500 ac-ft, groundwater loss (recharge) from the main canal (44,000 ac-ft), cost of purchasing water, public testimony, and other factors to come to the decision to adopt Resolution 2022-01. The resolution determined that there would be no irrigation season and directed staff to transfer ACID water. The staff contacted interested buyers in Shasta County first to meet critical health and public safety needs, and then contacted buyers within the Sacramento Valley.

In March 2022, the State Water Resources Control Board ("State Water Board") Division of Water Rights ("Division") released a notice to be prepared for drought impacts due to ongoing dry conditions. The District was told to plan for considerably less irrigation water.

Customers must continually use water throughout the period of delivery. If water is wasted, inefficiently or improperly used, then the General Manager can refuse further delivery of water until the cause of waste or inefficient or improper use is removed. The General Manager could impose appropriate monetary penalties for waste or inefficient or improper use.

Storage and Infrastructure

The District has no storage capacity. The Redding Groundwater Basin has approximately 5.5 million acre-feet of groundwater storage. Although not all of the groundwater is available for groundwater use on an annual basis. The usual well yields from irrigation, industrial, and municipal wells near and in ACID are 500 to more than 4,000 gallons per minute. The City of Anderson wells produce approximately 500 to 900 gallons per minute.

The water pools behind the District's seasonal dam create Lake Redding and flow by gravity through an intake screen, a tunnel, and eventually to the Main Canal. The

distribution system has approximately 30 miles of unlined canals and main laterals. Five miles of the main canal are concrete lined. The Main Canal flows through many inverted siphons for conveying canal flows under cross-drainage channels, such as Clear Creek.

The District owns 13 groundwater monitoring wells and 2 Sacramento River stage gages. ACID has one pump station diversion on the Sacramento River used to supply water to its Churn Creek Lateral. The Main Canal flows through inverted siphons for conveying the flow under cross-drainage channels, such as Clear Creek.

The District has wasteways along the canal route at creek crossings and natural drains. The wasteways return water to the river or local stream if flow exceeds the capacity of the canal. This typically happens in the winter months during storm runoffs.

A network of unlined drainage ditches convey irrigation return flows. The drains often empty into the Sacramento River or one of the local tributary creeks. The District area's soil is well drained. This allows the field-applied water to generally percolate directly to the underlying groundwater basin. This minimizes the need for drainage facilities. The drainage flows out of the District by gravity. There are five drain pump stations operated for the recapture of drain flows.

The City of Redding has a Water Purchase and Sale Agreement with the Anderson Cottonwood Irrigation District (ACID), which has rights, entitlements and authorization to divert Sacramento River and tributary water. This water amount is referred to as "Base Supply" from April through October pursuant to its United States Bureau of Reclamation Contract No. II-06-200-3346A-R-1 for Exchange of Water. ACID has the right to divert Base Supply during the entitlement period for beneficial use within its service area. The Contract further provides that ACID may request additional diversion points to receive water. The Contract also provides that water shall be made available to ACID or its designee, at designated diversion points.

ACID entered into an agreement, effective March 1, 2011 through March 31, 2045, with the City of Redding, to provide Contract water, unless cancelled. Per the agreement, ACID agrees to sell to City and City hereby agrees to buy from ACID, a minimum of 500 acre feet of water in June of each year and up to 1,000 acre feet of water per month for the months of June, July, August and September during the Agreement term. Other agreement terms include payment, scheduling, drought conditions and indemnification.

Demand

The District provides water to 819 customers on a 14-day schedule, starting in April and ending in October. Approximately 84,677 acre-feet of water was delivered to customers in 2021. The demand for irrigation water is significantly lower in April, September, and October compared to the summer months. ACID is required to keep a constant water elevation in the canal for customers that may require a constant flow, even during times of lower overall irrigation demand. The District's only control structure is a radial gate near the upstream end. The only way to hold that elevation is to continually deliver at high rates of flow. That flow often greatly exceeds the actual demands. Because of this, there is a significant amount of water spilled into the waterways or temporarily lost to seepage during the low-flow periods.

Canal seepage is most significant near natural drainages where soils drain quickly. The canal directly contributes directly the underlying groundwater basin in these areas. The

District's main river diversions (Lake Redding, at Caldwell Park, and Churn Creek) have meters installed and operated by USBR. They provide both flow rate and total volume of flow. The District measures flow rates at major lateral headgates manually using weir or gate head-flow tables. The drain-pump flows are not metered, but the power consumption and pump efficiency history are used to estimate total volume pumped. None of the individual customer turnouts are metered. The flow rate estimates are made based on canal headgate position relationships.

2022 Water Allocation and Transfer Recap

At the January 13, 2022 meeting, the Board anticipated a Shasta Critical year designation based on rainfall, lake levels, and project inflows. In February of 2022, the Board was hopeful for a 75% allocation, but was prepared for 50% to 75%. On February 15 of 2022, the District got notified by the Bureau of Reclamation (BOR) it would be a Critical Year "Shasta Critical," but did not commit to a percentage allocation. Staff tried to identify private wells with significant production that could be used to augment the water supply, but the overall capacity is limited. March 10, 2022, it was indicated that due to January and February being dry, as well as a dry forecast, the District's allocation would be reduced by 20% to 25%. On March 14 of 2022, the BOR issued an update to plan for "considerably less water."

At the end of March conditions were projected to worsen and an irrigation season would not be possible. Staff was instructed to explore all the options. The District received another update in April 2022. The update indicated they may divert water if the river had flows above the Keswick releases at your point of diversion. Since there were low tributary inflows between Keswick and the diversion dam, the District could not divert water above 18%. BOR indicated they would not change the river flow to meet demand. The District was informed that BOR agrees to account for water diverted under their Sacramento River Settlement (SRS) through May 1 through October 31, 2022 based on their set conditions within the letter. During this time, the District considered buying water from BOR.

At the April, 2022 board meeting, the Board adopted Resolution 2022-01. This Resolution was passed after consideration of the allocation of 22,500 AF, groundwater loss (recharge) from the main canal, cost of purchasing the water, public testimony, and other factors. The Resolution determined that there would be no irrigation season and directed staff to transfer ACID water. Subsequently staff contacted interested buyers in Shasta County to meet critical health and public safety needs, and later reached out to buyers in the Sacramento Valley.

2022 Drought

In April of 2022, the Bureau of Reclamation sent a letter to all Sacramento River Settlement (SRS) Contractors outlining the current drought conditions and the allocations for the area. They informed the District that the Shasta Reservoir is predicted to be at approximately 1.8 million acre-feet and the forecasted inflow into the reservoir is well below the Critical Year level of 40 million acre-feet for 2022. The conditions will not allow for full diversions under the SRS Contracts. The estimated water available from the Shasta Reservoir releases will be approximately 18% of the contract total.

Rates

The District maintains a base rate + consumption structure for water services, as shown below in Table 2. The service rate for irrigation is based on the number of irrigated acres. The base rate for this is \$87. The rate calculation is the base rate of \$87 multiplied by the number of irrigated acres. The District offers a subsidy as of March 2023 which can be calculated by multiplying the number of irrigated acres by \$86. The District has an annual application fee of \$115, but also has a subsidy for this at \$91. That makes the total annual application fee \$24.

Table 2: Anderson-Cottonwood ID Water Use Rates

Rate Factors	Base
Irrigated Acres	\$87.00/acre
2023 Subsidy - Irrigated Acres	\$86.00/acre
Application Fee	\$115.00
2023 Subsidy – Application Fee	\$91.00

These rates were subject to a Proposition 218 Process at a July 2021 public hearing.

2022 Drought Conditions Allocations

The District receives its water supply from a Bureau of Reclamation contract. In February 2021, the District received notice that it would only receive a 55% water allocation based upon its 3-year historical average of Municipal & Industrial (“M&I”) water. As a result of the reduced water allocation, the District purchased 400 acre-feet (“AF”) of supplemental water from the McConnell Foundation at a cost of \$250 per AF. This \$100,000 expenditure was paid using available O&M Reserve funds.

Effective June 1, 2021, the M&I Allocation was further reduced down to only 25% of the historical average. In order to recover half of the \$100,000 supplemental water purchase, the District proposed a Drought Surcharge to restore a portion of this purchase expense.

Rate Stabilization Fee

Each customer is charged a Rate Stabilization Fee to build financial reserves to address costs related to maintaining the District’s distribution and associated infrastructure. The Rate Stabilization Fee of \$0.08 will be charged per 100 cubic feet:

Water Treatment Plant Fee

Each customer will be charged the Water Treatment Plant Fee to mitigate variable costs related to water treatment at the Water Treatment Plant. The Water Treatment Plant Fee of \$0.08 will be charged per one hundred (100) cubic feet:

2022 Drought Assistance

Livestock Forage Disaster Program

The Livestock Forage Disaster Program (LFP) provides payments to eligible livestock owners and contract growers who also are producers of a grazed forage crop. Those being on native or improved pastureland that has suffered grazing losses due to a qualifying drought in the normal grazing period for the county. Only private lands with forage losses are eligible

for payment. Payments are available to those livestock or contract growers who also are producers of a grazed forage crop on rangeland managed by a federal agency.

The county's drought intensity designation rated by the U.S. Drought Monitor determines eligibility for LFP payments. Producers with eligible grazing lands that are in counties experiencing D2 drought conditions for at least eight consecutive weeks during the normal grazing season could be eligible. Those producers with eligible grazing lands physically located in a county experiencing D3 drought, or worse, at any time may also be eligible to apply. Payment rates are determined in April of each year.

Emergency Livestock Relief Program

The Emergency Livestock Relief Program (ELRP) gives additional aid to livestock producers who have been approved for assistance through that year's LFP. The ELRP payments are equal to a producer's gross current year's LFP payment multiplied by a payment percentage that will reach a reasonable approximation of increased supplemental feed costs for eligible livestock producers that year. Most producers will have an applicable payment percentage of 75%.

Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program

The Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) helps to cover any losses because of eligible adverse weather conditions, such as water shortages and wildfires. The program provides coverage for losses that result from additional costs for transportation of water to livestock. The program has expanded to include reimbursement for the costs of hauling feed for livestock and to help offset the cost of transporting livestock to available forage. The payments are available to producers located in areas experiencing D2 drought conditions for at least eight consecutive weeks or D3 or worse drought conditions at any time.

Noninsured Crop Disaster Assistance Program

The Noninsured Crop Disaster Assistance Program (NAP) works to help producers manage risk through coverage for both crop losses and crop planting that was prevented due to natural disasters. Crops that are eligible include those agricultural commodities not covered by federal crop insurance.

Early 2023 Storm Conditions

2023 started with extremely high rainfall amounts, much of which came in a series of early season storms that impacted storm drain systems, creeks and District canals. Much of this precipitation preceded the Districts April 1 to October 31 irrigation season, when water can be diverted from the Sacramento River by contract. Redding area media (KCRT) reports, citing a District source, noted that water flowing in the District's system prior to April 1 and overtopping a canal in the Anderson area, was from up-slope storm runoff.

District sources also noted that storm flows exceeded canal capacity in March 2023. The District, local contractors, City of Anderson and Shasta County all responded in a collective team effort to manage flooding. Several Anderson streets were impacted by the flooding and require debris removal. The District reported that, despite early flooding, "the extensive wet weather has set the District up well for the summer months."

Financial Overview

Anderson-Cottonwood ID is primarily funded through water sales.

The District has six Reserve Accounts which include the General Fund with a variable amount, Equipment Reserve with variable amounts, Capital Improvement Fund with variable amounts, Drainage fund with an amount of \$25,000, and Water Rights Protection with an amount of \$250,000. The General Fund is for all revenue not designated to any other fund. The Equipment Reserve is for all interest revenue. The Capital Improvement Fund varies each calendar year based on what the Board budgets. The Drainage Fund and Water Rights Protection are a fixed rate that is replenished at each calendar year start.

Table 3: Anderson-Cottonwood ID Budgets

	FYE 2020	FYE 2021	FYE 2022
INCOME			
4111- Water Sales	\$737,170	\$736,500	\$765,922
4115- Water Transfer	\$397,413	\$423,220	\$506,924
4934 - Penalty Revenue	\$2,000	\$2,000	2,000
4971 - Surplus Equipment Sales	\$5,000	\$0	\$0
4920- Interest	\$20,000	\$15,000	\$15,000
4930- General Property Tax	\$429,000	\$536,500	\$604,500
TOTAL INCOME	\$1,590,583	\$1,799,298	\$1,894,346
EXPENSE			
5010-Salaries and Benefits	\$796,683	\$851,408	\$959,698
7000 - General Maintenance	\$54,500	\$54,500	\$54,500
8000 - Canal Maintenance & Operations	\$583,000	\$566,000	\$680,984
6001- Administrative	\$156,400	\$160,225	\$197,805
SUB-TOTAL EXPENSES	\$1,590,583	\$1,632,133	\$1,892,987
NET INCOME/(LOSS)	\$0	\$167,165	\$1,359

The Board of Directors is responsible for establishing and maintaining an internal accounting control system, with Finance Committee, consisting of two Board members and the District Manager to provide oversight and assistance, and participate in annual budget process. In addition, profit and loss statements are reviewed monthly.

The District maintains investment, procedures and reserve fund policies. The majority of reserve funds are held in a Local Agency Investment Fund (LAIF) account. The Board has adopted and maintains reserves as follows:

- Designated Reserves (operations, facilities, and emergency needs)
- Obligated Reserves (tied to infrastructure improvements)
- Restricted Reserves (required and used for payment of debt service)

District revenues sources used to provide and finance infrastructure services include property taxes, special taxes, service charges, fees, assessments, and grants.

Many districts maintain a Capital Improvement Plans (CIP) for infrastructure upgrades and replacement. The CIP preparation and implementation process often includes the following:

- Identifying higher risk infrastructure replacement needs;
- Prioritizing projects using assessments and planned existing project completions;
- Developing construction costs for different project types;
- Developing cost estimates and construction duration for priority projects; and
- Scheduling and budgeting CIP projects by prioritization.

Project prioritization allows Districts to list projects over a multi-year time frame, consistent with available funding. This can include independent infrastructure outside the city limits and those within the cities of Redding and Anderson that may require coordinated design and construction to accommodate associated City infrastructure.

Accountability and Governance

Operating under the Irrigation Districts Act rules and regulations, the Anderson-Cottonwood Irrigation District is governed by an independent Board of Directors elected to staggered 4-year terms (Table 4). The Board's role is to establish the District's policies and goals; make major decisions on the District's behalf; employ, prescribe duties, set compensations pursuant to 2022 California Code Section 21185 (Public Resources Code Division 13 - Environmental Quality Chapter 6.5 - Jobs and Economic Improvement Through Environmental Leadership Act of 2021) and oversee District management and organizational performance. The day-to-day District operations are the General Manager's responsibility.

Meetings are currently held monthly. Board meetings are typically held on the second Thursday of the month at 6pm. The District maintains a website that is currently in compliance with state law regarding special district websites. Board meeting agendas are available at least 72 hours in advance and meeting minutes are available after adoption by the Board. Notices are posted on the District's office door, both doors at the Anderson City Hall, and the District's website.

Table 4: Anderson-Cottonwood ID Board of Directors

Area	Member	Title	Current Term Expiration
Division 1 - Redding	Ronnean Lund	Director	2022-26
Division 2 - Anderson	Audie Butcher	Director	2022-26
Division 3 - E. Cottonwood	Dan Woolery	Director	2022-24
Division 4 - W. Cottonwood	Steve McCarley	Director	2022-24
Division 5 - Churn Creek	James Rickert	Director	2022-26

The District has 13 employees. Some of those include a general manager, acting financial manager, administrative specialist, operations manager, and maintenance supervisor.

Budgets are approved annually by the Board of Directors which then establishes the scope of work and improvements that can be performed. Annual budgets and audits are available upon request to the District. Annual reporting is provided to the State Controller's Office per state law.

Municipal Service Review Determinations

(1) Growth and population projections for the affected area

- a) The District is expected to see the most growth in the areas within the Cities of Redding and Anderson incorporated boundaries.
- b) The District should coordinate with local/regional agencies with land use authority (County of Shasta, Cities of Redding and Anderson), to determine how best to preserve irrigated prime farmland as a growth factor.

(2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence

- a) The District does not provide any service a DUC may be lacking (potable water, wastewater, fire protection), so the District's service does not affect the provision of these services to DUCs.

3) Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies

- a) The District currently has a Water Purchase and Sale Agreement with the City of Redding.
- b) Recent storm events exceeded system capacity and inundated infrastructure (primarily streets) in the City of Anderson. These events should be analyzed to identify infrastructure needs or deficiencies.

4) Financial ability of agencies to provide services

- a) The District had a balanced budget in 2020 and a surplus in 2021 and 2022.
- b) The District Board adopts an annual budget and oversees expenditures throughout the fiscal year. The District has annual audits conducted by a certified public accountant. The budget is adopted by the Board of Directors with associated rate settings. The District sources of income are the sale of delivered water and [benefit assessments?] on property within District boundaries, which provide funds necessary for the District to meet its financial obligations. The most recent audits provide an overview of the financial activities and transactions for the fiscal year.

5) Status of and opportunities for shared facilities

- a) There are limitations – geographically, jurisdictionally, and operationally – on District irrigation water service facilities being extended to and/or shared with other areas or other water service purveyors. As the only irrigation district in Shasta County, The District's shared opportunities are unique to this services and therefore limited.
- b) No new opportunities for shared facilities, shared staffing or equipment have been identified. Historically, the District has provided water to other Districts (for a fee) on an as-available basis.

6) Accountability for community service needs, including governmental structure and operational efficiencies

- a) The District is governed by an independent board of directors that meets monthly.

b) ACID maintains a website compliant with state law.

7) Any other matter related to effective or efficient service delivery.

- a) With District areas in the City of Redding: 3,123 acres and City of Anderson: 3,5612 acres, the District should maintain close coordination for interconnected infrastructure with those municipalities.
- b) Canal lining would reduce water loss.

Sphere of Influence Determinations

In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development of local governmental agencies, to advantageously provide for the present and future needs of the county and its communities, the commission shall develop and determine the sphere of influence, as defined by GC § 56036, and enact policies designed to promote the logical and orderly development of areas within the sphere. In determining each local agency's SOI, the commission shall consider and prepare a written statement of its determinations with respect to the following:

(1) Present and planned area land uses, including agricultural and open-space lands.

- a) Shasta County and the Cities of Anderson and Redding govern land use planning and zoning within the District and SOI boundaries. The District provides irrigation water primarily to support agricultural-related services to mostly rural areas. The conversion of prime agricultural land is best addressed by the cities and county when evaluating and approving land use and zoning change allowing non-resource development.
- b) The SOI is proposed to be updated, to follow the District boundary based on State BOE TRA maps reviewed as part of this update.

(2) Present and probable need for public facilities and services in the area.

- a) The District currently primarily serves agricultural irrigation water customers in the Upper Sacramento Valley area (along the I-5 Corridor). Services extension requests for agricultural purposes must meet District requirements, including covering system extension costs. The District has ongoing capital improvement programs to maintain and upgrade service systems.

(3) Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

- a) District facilities appear adequate for current service needs. It has the capacity to serve the areas within the current sphere of influence boundary, While service needs would not prompt a change, an update is proposed to match the SOU and District boundaries.

(4) Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

a) The Cities of Redding and Anderson and town of Cottonwood, all provide commercial opportunities, service industry, and social activities for residents and visitors. Red Bluff to the south provides a secondary destination for these activities.

(5) For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere.

a) The District supplies irrigation water as its only service, the District has no role in providing services (potable water, wastewater, fire services) that play a role in DUC determination and as such this would not be a factor in the SOI Update or future annexation considerations.