

Board Meeting February 9, 2023 6 p.m. Agenda

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 limit comments to a maximum of three minutes.

4. Consent Items

- A. Minutes - Approve the Minutes of the Regular Meeting on January 12, 2023.
- B. Financial Status Report for Year-to-Date Through January 2023.
- C. Payroll: Approve the Payroll Check Register for the Month of January 2023.
- D. Electronic Federal Tax Payment System (EFTPS) & Automated Clearing House (ACH) - Approve transactions for the Payroll Periods January 3, 2023 and January 16, 2023.
- E. Voided and/or missing checks for January 2023.
- F. Cash Disbursement Journal for January 2023.

5. Business Items

- A. Consider Finance Manager Terri White's request to earn sick and vacation time.
- B. Review and Discuss Draft District Reserve Policy
- C. Review and Consider Request for Proposal regarding Main Canal Survey and associated work

6. Other Business

Dan Woolery, President
James Rickert, Vice President
Steve McCarley, Director

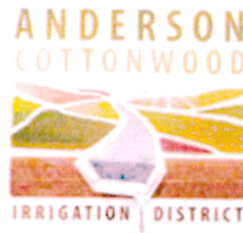
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Audie Butcher, Director
Ronnean Lund, Director
Jered Shipley, G.M.

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)
- C. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION (Government Code § 54956.9(d)(2) or (d)(4)); One Case.

8. Adjourn



**Draft Minutes
Regular Board Meeting
January 12, 2023**

1. Call To Order

The meeting was called to order at 6:00 pm

Directors present:

Woolery, Butcher, Rickert, Lund, McCarley

Staff Present:

General Manager Jered Shipley

Finance Manager Terri White

Operations Manager Ben Duncan

2. Flag Salute

The flag salute was led by Steve McCarley

3. Public Participation

Joanna Brown

Nadine Bailey

Lisa Mashad

Steve Mintz

Jared Ferguson

Brenda Haynes

4. Consent Items

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

- A. Minutes - Approve the Minutes of the Regular Meeting on December 08, 2022 and the Minutes of the Special Board Meeting on January 5, 2023.
- B. Financial Status Report for Year-to-Date Through December 2022.

- C. Payroll: Approve the Payroll Check Register for the Month of December 2022.
- D. Electronic Federal Tax Payment System (EFTPS) & Automated Clearing House (ACH) - Approve transactions for the Payroll Periods December 1, 2022 and December 16, 2022.
- E. Voided and/or missing checks for December 2022.
- F. Cash Disbursement Journal for December 2022

5. Business Items

- A. Consider Approval of Resolution 2023-01 Honoring Former Board President Brenda Haynes
Director Butcher made a motion to approve Resolution 2023-01, Director Lund made the second and the motion passed with a 5-0 vote. President Woolery then presented Brenda Haynes with a plaque and thanked her for her years of service to ACID.
- B. Appoint Director as LAFCO Nominee
Director Rickert made a motion to appoint Director Lund as a LAFO Nominee, Director McCarley made the second. The motion passed with a 5-0 vote.
- C. Review and Approve FY 2021 Audit, at 6:30 pm
Mary Johnson, ACID Auditor, called in and had a discussion with the Board and answered questions from the Directors regarding the 2021 Audit. After Board discussion and comments from the audience, Director Rickert made a motion to approve the 2021 Audit, Director Butcher made the second and the motion passed with a vote of 5-0.
- D. Designate General Manager Shipley as Agency Labor Representative in Negotiations with Represented and Unrepresented ACID Employees.
Director Lund made a motion to approve Jered Shipley to act as Agency Labor Representative in Negotiations with Represented and Unrepresented employees. Director Rickert made the second and it passed with a 5-0 vote.
- E. Consider Approval of FY 2023 Budget
After discussion between the Board and Staff, and comments from the public, the Board asked staff to bring back in July a 6-month Budget update. Director Butcher made a motion to approve the 2023 Budget, Director Rickert made the second. Director McCarley abstained as he felt he did not have enough information to vote, since he was just appointed as a Director. The motion passed with a 4-0 vote.

Dan Woolery, President
James Rickert, Vice President
Steve McCarley, Director

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Audie Butcher, Director
Ronnean Lund, Director
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6. **Other Business**

A. General Manager Report

7. **Closed Session**

A. PUBLIC EMPLOYEE EMPLOYMENT AND/OR PERFORMANCE EVALUATION
(Government Code Section §54957)

Title: General Manager/Financial Manager Evaluation

The Board directed General Manager Shipley to bring back the Finance Manager request at the next Board meeting.

B. Conference With District Labor Negotiator Regarding Unrepresented Position of Operations Manager (Pursuant to Government Code Section 54957.6)

8. **Adjourn**

The meeting was adjourned 8:40 pm.

Anderson Cottonwood Irrigation District
2023 Financial Status Report
Month Ending January 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	\$0	\$0	\$20,000	0%	\$20,000
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	\$2,375	\$2,375	\$89,010,000	0%	\$89,007,625
4984	Drainage Revenue	\$0	\$0	\$0	0%	\$0
4991	Contract/Project Income	\$0	\$0	\$0.00	0%	\$0
4995	Drought Relief	\$0	\$0	\$0.00	0%	\$0
	Sub-Total	\$2,375	\$2,375	\$90,583,500	0%	\$90,581,125
Property Tax & Interest						
4920	Interest Revenue	\$0	\$0	\$40,000	0%	\$27,833
4930	Prop. Taxes / Shasta	\$0	\$0	\$558,000	0%	\$558,000
4931	Prop. Taxes / Tehama	\$0	\$0	\$46,500	0%	\$46,500
	Sub-Total	\$0	\$0	\$644,500	0%	\$644,500
	Total Revenues	\$2,375	\$2,375	\$91,228,000	0%	\$91,225,625
Receivables						
1441	Water Sales Receivable	\$0		\$0	0%	\$0

Anderson Cottonwood Irrigation District

2023 Financial Status Report

Month Ending January 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)	\$16,611	\$16,611	\$311,750	5%	\$295,139
5012	Overtime (Admin)	\$0	\$0	\$0	0%	\$0
5014	Retirement (Admin)	\$0	\$0	\$17,700	0%	\$17,700
5015	Social Security (Admin)	\$1,030	\$1,030	\$0	0%	\$1,030
5016	Workers Comp. (Admin)	\$41	\$41	\$1,850	2%	\$1,809
5017	Unemployment Ins. (Admin)	\$818	\$818	\$2,000	41%	\$1,182
5018	Medicare (Admin)	\$241	\$241	\$4,550	5%	\$4,309
5019	Health Insurance (Admin)	\$3,536	\$3,536	\$61,500	6%	\$57,964
5110	Reg. Salaries (T&D)	\$20,351	\$20,351	\$512,000	4%	\$491,649
5111	Water Operator Milage	\$0	\$0	\$36,000	0%	\$36,000
5112	Overtime (T&D)	\$0	\$0	\$6,000	0%	\$6,000
5114	Retirement (T&D)	\$0	\$0	\$40,000	0%	\$40,000
5115	Social Security (T&D)	\$1,644	\$1,644	\$31,500	5%	\$29,856
5116	Workers Comp. (T&D)	\$4,028	\$4,028	\$82,000	5%	\$77,972
5117	Unemployment Ins. (T&D)	\$952	\$952	\$5,000	19%	\$4,048
5118	Medicare (T&D)	\$223	\$223	\$7,500	3%	\$7,277
5119	Health Ins. (T&D)	\$11,774	\$11,774	\$219,000	5%	\$207,226
	Sub-Total	\$61,249	\$61,249	\$1,338,350	5%	\$1,277,101
Administration						
6000	Vehicle Mileage	\$0	\$0	\$0	0%	\$0
6001	Medical Exp. / Supplies	\$0	\$0	\$1,200	0%	\$1,200
6002	Travel / Training Expense	\$0	\$0	\$10,000	0%	\$10,000
6003	Office Supplies / Expense	\$0	\$0	\$11,500	0%	\$11,500
6004	Office Equip. & Maintenance	\$0	\$0	\$2,600	0%	\$2,600
6005	Association Dues	\$7,370	\$7,370	\$25,000	29%	\$17,630
6006	Public Notices	\$0	\$0	\$500	0%	\$500
6008	Legal Fees / Expense	\$0	\$0	\$50,000	0%	\$50,000
6009	SRSC Corporation	\$0	\$0	\$22,000	0%	\$22,000
6010	Maintenance Agreements	\$785	\$785	\$15,000	5%	\$14,215
6011	CV Stratagies	\$5,000	\$5,000	\$60,000	0%	\$55,000
6012	Vehicle Insurance	\$0	\$0	\$5,000	0%	\$5,000
6013	Management Expense Acct.	\$0	\$0	\$1,000	0%	\$1,000
6014	Liability Claims	\$0	\$0	\$1,000	0%	\$1,000
6015	Property / Liability Insurance	\$0	\$0	\$30,100	0%	\$30,100
6016	Permit Fees	\$5,669	\$5,669	\$12,000	47%	\$6,331
6017	County Taxes / Assessments	\$0	\$0	\$5,000	0%	\$5,000
6018	Consultant Services	\$0	\$0	\$75,000	0%	\$75,000
6019	Audit / Accounting Services	\$0	\$0	\$11,000	0%	\$11,000
6020	Web Site Revamp	\$0	\$0	\$15,000	0%	\$15,000
6023	Utilities	\$0	\$0	\$20,000	0%	\$20,000
6024	Misc. Expense	\$0	\$0	\$1,000	0%	\$1,000
6026	District GIS	\$0	\$0	\$5,000	0%	\$5,000
6027	SGMA	\$0	\$0	\$7,600	0%	\$7,600
	Sub-Total	\$18,824	\$18,824	\$386,500	5%	\$367,676

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

Balance Summary

	Month To Date	Year To Date	2023 Approved Budget	Percent Used	Balance Available
Total Expenditures	\$80,889	\$80,889	\$3,723,350	2%	\$3,642,461
Total Revenues	\$2,375	\$2,375	\$91,228,000	0%	\$91,225,625

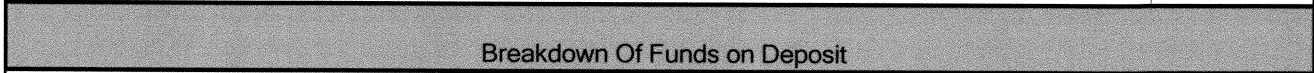
Capital Improvement

	Month To Date	Year To Date	2023 Approved Budget	Percent Used	Balance Available
1112 Land	\$0	\$0	\$0	0%	\$0
1114 Pumps	\$0	\$0	\$150,000	0%	\$150,000
1116 Trans & Distribution Plant	\$0	\$0	\$0	0%	\$0
1117 Equipment (Machinery)	\$0	\$0	\$325,000	0%	\$325,000
1118 Auto & Trucks	\$0	\$0	\$175,000	0%	\$175,000
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	\$0	\$0	\$350,000	0%	\$350,000
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	\$0	\$0	\$1,035,000	0%	\$1,035,000

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



	L.A.I.F.	\$11,974,035			
	TCB Checking	\$890,712			
	Petty Cash	\$100			
	Imprest Cash	\$200			
	TCB Money Market Acct.	\$2,181,641			
2375					
	Total Cash	\$15,046,688			



Breakdown Of Funds on Deposit

	General Fund	\$13,536,727			
	Equipment Reserve	\$199,961			
	Cap. Improvement Fund	\$1,035,000			
	Drainage Fund	\$25,000			
	Water Rights Protection	\$250,000			
	Total Cash	\$15,046,688			

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

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

Employee ID Employee Date	Pay Type	Pay Hrs	Pay Amt
22-04 Shipley, Rion J. 1/3/23	Reg_Salarie		5,208.34
12 White, Teresa L. 1/3/23	Regular	88.00	3,080.00
22-03 Duncan, Benjamin 1/3/23	Reg_Salarie	88.00	2,500.00
21-09 Wilson, Kyle D. 1/3/23	Ditchtender	71.00	1,292.20
21-11 Jensen, Jason A. 1/3/23	Equip_Oper	88.00	1,692.24
23 Passmore, Scott C. 1/3/23	Main_Sup	88.00	1,941.28
33 Vega, Phillip 1/3/23	Ops_Sup	88.00	1,807.52
12 White, Teresa L. 1/16/23	Regular	89.00	3,115.00
22-04 Shipley, Rion J. 1/16/23	Reg_Salarie		5,208.34
22-03 Duncan, Benjamin 1/16/23	Reg_Salarie	88.00	2,500.00
21-09 Wilson, Kyle D. 1/16/23	Ditchtender	80.00	1,612.00
21-11 Jensen, Jason A. 1/16/23	Equip_Oper	80.00	1,955.20
23 Passmore, Scott C.	Main_Sup	80.00	2,104.00

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

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

Employee ID Employee Date	Pay Type	Pay Hrs	Pay Amt
1/16/23			
30 Poliak, Jeff B. 1/16/23	Ditchtender	16.00	322.40
30 Poliak, Jeff B. 1/16/23	Ditchtender	-16.00	-322.40
33 Vega, Phillip 1/16/23	Ops_Sup	80.00	2,052.80
30 Poliak, Jeff B. 1/16/23	DT_MainII	16.00	338.56
30 Poliak, Jeff B. 1/16/23	DT_MainII	26.25	555.45
Summary Total 1/1/23 thru 1/31/23	Reg_Salarie Ditchtender DT_MainII Ops_Sup Equip_Oper Regular Main_Sup	176.00 151.00 42.25 168.00 168.00 177.00 168.00	15,416.68 2,904.20 894.01 3,860.32 3,647.44 6,195.00 4,045.28
Report Date Final Total 1/1/23 thru 1/31/23	Reg_Salarie Ditchtender DT_MainII Ops_Sup Equip_Oper Regular Main_Sup	176.00 151.00 42.25 168.00 168.00 177.00 168.00	15,416.68 2,904.20 894.01 3,860.32 3,647.44 6,195.00 4,045.28

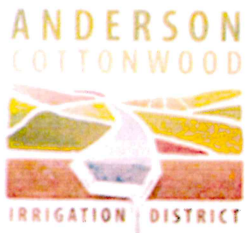
Anderson Cottonwood Irrigation District

Cash Disbursements Journal

For the Period From Jan 1, 2023 to Jan 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
1/3/23	30125	2226	457 W/H for SP for 01/03/23 payperiod	75.00	
		1308	Variable Annuity Life Ins. Co.		75.00
1/3/23	30126	2224	Child support W/H for Jason Jensen, Case # 200000001648552 and case #200000001692226	375.87	
		1308	CA State Disbursement Unit		375.87
1/6/23	30156	5019	health insurance for January?Admin	1,768.00	
		5119	health insurance for January/T&D	4,733.00	
		1308	N.C.G.T. Security Fund		6,501.00
1/6/23	30157	6010	monthly service plan	784.50	
		1308	Obsidian IT		784.50
1/16/23	30159	2224	child support withholding for Jason Jensen/ 01/16/23 payroll period-*1692226	158.00	
		2224	child support withholding for Jason Jensen, 01/16/2024 pay period *1648552	296.87	
		1308	California State Disbursement Unit		454.87
1/16/23	30160	2226	457 withholding for SP, 01/16/20223 pay period	75.00	
		1308	Variable Annuity Life Ins. Co.		75.00
1/19/23	30162	6005	2023 dues	7,370.00	
		1308	Association California Water Agencies		7,370.00
1/19/23	30163	6011	monthly billing	5,000.00	
		1308	C V Stratagies		5,000.00
1/19/23	30164	7008	invoice #3221494, flat stock for slidegates	153.37	
		1308	Gerlinger Steel & Supply		153.37
1/19/23	30165	7008	absorbent, floor seep, hydraulic fluid	147.08	
		1308	JMB Oil		147.08
1/19/23	30166	8001	annul fire spring inspection at dam	495.00	
		1308	Mike Murray Plumbing & Fire Protection		495.00
1/19/23	30167	5019	health insurance for February/admin	1,768.00	
		5119	health insurance for February/T&D	7,041.00	
		1308	N.C.G.T. Security Fund		8,809.00
	Total			<u>30,240.69</u>	<u>30,240.69</u>



Agenda Title: Consider Finance Manager Terri White’s Request to earn sick and Vacation time.

Discussion: After approximately 33 years of employment, Terri White retired from the District on January 5, 2022. On July 14, 2022 White and the District entered into a contract for White to become the District’s Acting General Manager while the District conducted a search for a permanent General Manager. This contract was set to expire on December 31, 2022. The contract stated White would receive three (3) days sick leave and not accrue vacation time. On September 13, 2022, after a new General Manager was selected by the Board, White and the District entered into a new contract. The contract did not include an expiration date. The sick and vacation accrues for the new contract remained the same as the prior contract. Since this time, White has expressed interest in continuing employment with the District for a minimum of 18 months. She is requesting her sick and vacation accruals be modified to match accruals she had prior to retirement and in line with accruals District employees with over fifteen years’ service (Section XV, Vacations) current Teamsters Local 137-Anderson Cottonwood Irrigation District Collective Bargaining Agreement. White is requesting accruals begin February 1, 2023, with vacation accrual beginning at zero (0) hours.

Fiscal Impact: Vacation time is paid out to employees upon separation. White’s current compensation is \$35.00 per hour worked.

Recommendation: Given White’s long-term employment with the District and her continued desire to remain employed through the next 18 months, General Manager Shipley recommends the Board reinstitute the sick and vacation accruals White was receiving prior to her retirement in 2022.

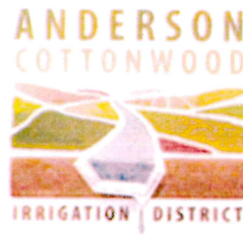
Attachments:

- Terri White’s Formal Request

Dan Woolery, President
James Rickert, Vice President
Steve McCarley, Director

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Jered,

Please accept this as a formal request to start earning vacation and sick leave starting February 1, 2023.

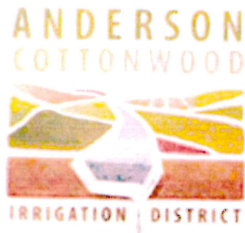
Prior to my retirement I was earning 160 hours of vacation and 96 hours of sick leave per year. I am asking to be given the same hourly amounts, but to be earned per pay period, not to be front loaded.

Thank you,

Terri White

Financial Manager

Anderson-Cottonwood Irrigation District
2810 Silver Street
Anderson, CA 96007
530.365.7329



DATE February 9, 2023 | Agenda Item No. 5 B

Agenda Title: Review and Discuss Draft District Reserve Policy

Discussion: Currently, the District has in place a Designated Reserve Accounts Policy, developed from Resolution No. 2010-05. Staff has reviewed the Policy and believes that updating the Policy is necessary to reflect the current financial status of the District and to better outline where District funds should be allocated. Staff have provided a Draft Reserve Policy for the Board's review and input.

Fiscal Impact: None at this time. A final adopted reserve policy will have fiscal considerations.

Recommendation: Staff recommends the Board review and discuss Draft Reserve Policy, and direct staff to bring this item back with changes made based off the Board's discussion.

Attachments:

- ACID Designated Reserve Accounts
- Draft Reserve Policy

ANDERSON-COTTONWOOD IRRIGATION DISTRICT

DESIGNATED RESERVE ACCOUNTS

POLICY

As detailed in Resolution No. 2010-05, the District's reserve account shall contain specified designated accounts, and funding sources for such accounts, as follows:

Designation	Amount	Funding Source
General Fund	Variable	All revenue not designated to any other fund.
Equipment Reserve	Variable	All interest revenue.
Capital Improvement Fund	Variable	As budgeted each calendar year by Board of Directors.
Drainage Fund	\$25,000	Fixed, replenished at start of each calendar year.
Water Rights Protection	\$250,000	Fixed, replenished at start of each calendar year.
M/S Annexation	Variable	Temporary impound account provided by annexing parties.
total		

ANDERSON-COTTONWOOD IRRIGATION DISTRICT RESERVE POLICY

PURPOSE

Special districts have constitutional authority under Article XIII B of the California Constitution to establish reserve funds as the districts “deem reasonable and proper.” Therefore, Anderson-Cottonwood Irrigation District’s (“District”) Reserve Policy has been developed to consider the level of reserves necessary to adequately provide for:

- Cash flow requirements
- Defending the District’s water rights
- Enhancing the District’s water supply portfolio
- Contingencies for unforeseen operating or capital needs
- Loss of significant revenue sources such as irrigation income and property tax receipts
- Economic uncertainties or other financial hardships
- Creditworthiness
- Unfunded mandates including costly regulatory requirements

Reserve funds are not “surplus” funds, but rather necessary funds designated or restricted for various purposes important to the short and long-term operations of the District. The District believes that a certain portion of its annual revenues should be held in reserve as part of its overall financial management strategy. The District’s Reserve funds are defined as the portion of the District’s Net Position as identified in the Statements of Net Position from the most recent audited financial statements that is not comprised of net investment in capital assets.

There are three major types of reserve funds:

- Designated reserve funds are earmarked for many purposes, including funding new capital facilities, construction, repair or refurbishment of existing facilities, rate stabilization and operating reserves. These funds can be utilized at the discretion of the District. The Board of Directors (“Board”) can change fund designations at any time. All earnings on designated reserve funds accrue to the District’s general fund and become a part of the annual non-operating revenues.

- Obligated reserve funds are set aside to meet contractual financial commitments for services not yet fulfilled and purchases that will take place in the future. The Board has no discretion as to the use of these funds.
- Restricted reserve funds are used strictly to meet requirements established by creditors, grant agencies, or law. The Board has no discretion as to the use of these funds.

Adequate levels of reserves are critical to the successful and stable operation of the District. Maintaining adequate reserves allows for reasonable levels of rate stabilization from year to year for rate payers and provides assurance that the District can respond to short-term emergencies, including unforeseen costly regulatory requirements.

Guiding Principles: The maximum and minimum target levels of each of the District's individual reserves is set to provide reasonable assurance that the funds in each reserve are adequate for their purpose over a one-year period.

The sum total of the maximum target levels of the reserves is the maximum level of reserves necessary to provide reasonable assurance that the District has the financial resources to respond to circumstances that may arise over a one-year period. Should total reserve levels exceed the maximum target level, the Board shall consider actions that would reduce the total reserve levels so as not to exceed the target maximum.

The sum total of the minimum target levels of the reserves is the minimum level of reserves necessary to provide reasonable assurance that the District has the financial resources to respond to circumstances that may arise over a one-year period. Should total reserve levels fall below the minimum target level, the Board shall consider actions that would increase the total reserve levels to at least equal the target minimum.

SUMMARY OF RESERVE FUNDS BY CATEGORY

Designated Reserves

- *Capital Replacement and Improvement Reserve*

The operations of the District rely on machinery, other rolling stock, a variety of both mechanical and computer equipment, and a large system of improvements and capital infrastructure. The District recognizes the need to earmark funds for the regular repair and replacement of these items. Because the cost of replacing and improving many of these items is significant, the District desires to establish and fund the *Capital Replacement and Improvement Reserve* in order to accumulate funds for

these costs, especially since the cost and ability to borrow funds as needed is driven by market conditions that may or may not be advantageous or available to the District at the time asset replacement is necessary. The District's goal is to fund the *Capital Replacement and Improvement Reserve* to a level that will allow construction of two large siphons and the purchase of other significant equipment.

Reserve Targets: Maximum: \$4,500,000
 Minimum: \$2,500,000

- *Water Supply Protection and Regional Sustainability Reserve*

The District recognizes the need to participate and fund activities and programs that will protect, enhance, and ensure the long-term reliability of the District's surface and groundwater supplies. These activities include but are not limited to, water transfer monitoring and mitigation, development of groundwater supplies, fishery restoration efforts, Sites Reservoir development and legal and expert consulting related to defending the District's Sacramento River Settlement Contract.

Reserve Targets: Maximum: \$3,000,000
 Minimum: \$1,000,000

- *Operations Reserve*

The Operations Reserve is established for the following purposes:

- To provide for the cash flow needs of the District.
- To provide funds as necessary for purposes not contemplated by the other District Reserves.
- To finance any loss resulting from District operations.

The balance of the Operations Reserve shall be calculated as being the sum total of two years of the average annual budget.

Reserve Targets: Maximum: \$4,000,000
 Minimum: \$2,000,000

- *U.S. Bureau of Reclamation Cost Reserve*

The District recognizes the need to earmark funds to cover the extraordinary costs related to reductions in the District's water supply in a Shasta Critical year. Shasta Critical years result in dramatically increased costs from the District's contract with the Bureau of Reclamation which are unavoidable by the District.

Reserve Targets: Maximum: \$2,500,000
 Minimum: \$1,000,000

Obligated Reserves

The District recognizes that there may be a need to set aside funds due to future contractual financial commitments, such as debt service on borrowed funds. Currently the District has no contractual financial commitments that require an obligated reserve.

Restricted Reserves

The District recognizes that there may be a need to establish restricted reserves pursuant to certain legal or contractual commitments. Currently, the District has no restricted reserves.

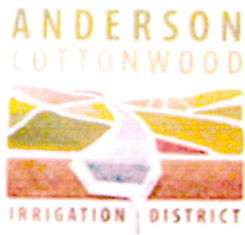
PROCEDURES FOR USING RESERVE FUNDS

It is the District's intention that current operating expenditures (net of depreciation and amortization) plus normal annual capital expenditures be funded with current revenues. Reserves may be used at the discretion of the Board to provide budgetary funding for the purposes for which the reserves were established, as detailed above.

The Board will authorize the use of reserve funds during the District's annual budget process. Authorization for the use of reserve funds for unbudgeted projects during the year shall also be approved by the Board. The Board, at its sole discretion, may establish new reserve funds, combine, or modify existing reserves, and set new minimum or maximum funding levels.

PROCEDURE FOR MONITORING RESERVE LEVELS

- The Finance Department shall perform a reserve analysis and submit recommended adjustments to the Board not less than one time during each fiscal year.



DATE February 9, 2023 | Agenda Item No. 5 C

Agenda Title:

Review and Consider Request for Proposal regarding Main Cana Survey and Associated Work

Discussion:

On January 5, 2023 Anderson-Cottonwood Irrigation District distributed a Request for Proposal (RFP) to five companies for Main Canal Surveying and District Infrastructure Condition Assessments. The due date for submissions was January 18, 2023. The District received submissions back from four of the five original recipients. The fifth company, Jacobs Engineering, advised the District they would not be participating in the process, due to company policy regarding minimum submission deadlines. Jacobs did however provide the District with a copy of Modernization Project Predesign Report from 2008, they had authored for ACID. Jacobs wanted to turn over all documents that may help the District with this project.

On Friday, January 13, 2023, Steve Nelson, SHN Engineering, emailed the District stating he had heard about the RFP from an ACID Board Member and asked if he could receive a copy. He was quickly emailed the same package as all others and ultimately decided to pass on the opportunity.

Fiscal Impact:

- See Attached Submissions

Recommendation:

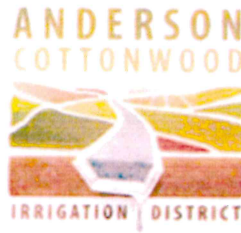
Seepage Subcommittee, including two Board members, two Water User's and the General Manager, have met and reviewed the submissions and recommend the Board direct staff to engage with Vestra to better understand documentation already on file, including LIDAR data and develop a scope of work for the initial survey work and HEC-RAS Model. Further, the Subcommittee recommends the Board direct staff to work with Provost & Pritchard on a scope of work to include Main Canal Infrastructure inventory, condition, and assessment.

Attachments:

- Final RFP
- The submissions and associated point of contact for each are listed below.

Provost & Pritchard
KSN Inc.
Realm Architecture & Engineering
Vestra

Danny Kerns
Holly Dawley
Jason Vine
Susan Goodwin



Anderson-Cottonwood Irrigation District Request for Proposal (RFP) Main Canal Survey and Condition Assessment January 5, 2023

Background

Anderson-Cottonwood Irrigation District diverts water from the Sacramento River in Redding, California, primarily from a gravity diversion in the river at the seasonal ACID Diversion Dam in Redding. In addition, the District operates a pump station on the river approximately 4 miles downstream to supply a lateral canal. ACID's conveyance system includes approximately 35 miles of Main Canal, about 98 percent of which is unlined. The Main Canal flows through six inverted siphons to cross streams, such as Clear Creek, and three flume sections across smaller streams and lowland areas. The District also operates and maintains hundreds of small weirs, turn outs and other conveyance infrastructure.

Much of the conveyance system is over 50 years old and has reached or is nearing end of life which will need to be addressed over the next few years. Several of the components of the conveyance system are considered critical, in that if they fail, water can not be conveyed to large portions of the District.

With Northern California experiencing multiple consecutive drought years resulting in historically low water allocations for the District, the Board of Directors (Board) recognize a need for a full accounting and assessment of conveyance infrastructure. Understanding the dynamics and possible diversion limitations of the conveyance system will be another crucial component necessary for planning and decision making.

Development and implementation of a Capital Improvement Plan (CIP) as part of a larger ACID Strategic Plan will add to the long-term viability and success of the District. Reviewing and updating the District's Policies including the Reserve and Expenditure policy will aid in the development of appropriate accounts designated to address the future infrastructure needs of the District.

The Board has worked diligently with Staff to catalog historic documents that can provide insight on the conditions of the Main Canal. The current documentation has been deemed inadequate to meet the goals of the District. The Board is excited to present this RFP as one step in ensuring the long-term sustainability of the District. Currently, this project has three distinct tasks, with differing timelines. Interested parties can opt to submit bids for the entire project as a sole contractor or in coordination with another contractor, or a specific individual task.

Task 1: Survey and Map Main Canal

This task will be very important to aid in the decision-making process for reduced water allocations in Shasta Critical year types. Work under this task shall be completed by March 15, 2023.

- Determine Main Canal Dead Pool Capacity
- Identify Maximum Flow Capacity
- Develop Main Canal Survey to include:
 - I. Cross sectional areas
 - II. Fall throughout the system
 - III. Freeboard conditions
 - IV. Identify areas of Major Water loss (canal breaches, failed infrastructure)
 - V. Assess estimated water loss via canal breaches and failed infrastructure

Task 2: Main Canal Modeling

A complete Main Canal model, describing flow regime, capacity, limitations, and other considerations will be vital to future canal operations. March 15, 2024

- Identify and document water surface elevations
- Develop Hec-Ras model for 35-mile Main Canal
- Identify areas of seepage/loss
- Development of recommendations for future canal lining or piping based on information gathered

Task 3 Main Canal Condition Assessment

Aging infrastructure is a major concern for the District's conveyance reliability. A complete inventory and assessment of District infrastructure will be important for future financial decisions and planning. March 15, 2024

- Comprehensive inventory of all Main Canal Infrastructure
- Complete condition assessment for critical infrastructure
 - I. 6 Inverted Siphons
 - II. 3 Flumes
 - III. Multiple crossings and Lateral Headworks
- Possible upgrade to District's current GIS mapping

Please direct all questions and submissions to General Manager Jered Shipley, (530) 365-7329 or j.shipley@acidistrict.org by Wednesday, January 18, 2023 @ 5 pm.