BOARD MEETING

Final Minutes

January 9, 2025, 6:00 pm

1887 Howard Street, Anderson (Council Chambers)

1. **Call To Order** at 6:01 p.m.

   Directors Present- Woolery, Rickert, Lund, Butcher, and Amen
   Staff Present- Ruiz, Duncan, Miller, Dustin Cooper (legal counsel)

2. **Flag Salute** was led by Ben Duncan

3. **Public Participation**

   Time set aside for members of the public that wish to address the Board regarding matters of the District within the jurisdiction of the Board. Individuals are requested to limit comments to a maximum of three minutes.

4. **Business Items**
   a. Election of Officers

A motion was made by Director Lund, and seconded by Director Amen to elect Dan Woolery as President, and James Rickert as Vice-President. Vote 5-0.

   b. Review and Approve RESOLUTION 25-01: Approve the Water Reduction Program Agreement Between the Sacramento River Settlement Contractors Nonprofit Mutual Benefit Corporation, Individual Sacramento River Settlement Contractors, and the U.S. Bureau of Reclamation following consideration of the Environmental Impact Report prepared by lead agency Glenn-Colusa Irrigation District, Adopt Findings of Fact and a Statement of Overriding Considerations, Adopt a Mitigation Monitoring and Reporting Program and Approve the Project.

Dan Ruiz presented a brief review of the DPP (Drought Protection Agreement), what it means for the District, and his recommendation.

Comments from Director Rickert:

- Our biggest need is not the quantity of water, it is the infrastructure, and we need money to fix the antiquated canal system.
- Main canal & lateral improvements are desperately needed
- I would like to see the District use a cost share program, such as -EQUIP, for customers that need lateral and field leveling improvements

- We need to survive 10 years of the proposed 50% allocation in the critically dry years, we have modeled it out and it is possible to make it work for us. The first year is 2025, and we have already crossed the hurdle expecting a 100% supply, so we only have 9 years to go.
- If we do not sign the agreement, we could be labeled as the poster child and would most likely be treated very differently.

Director Lund- Asked Dustin to explain to the audience the breakdown of the DPP agreement, and the ramifications to ACID if we do not sign the agreement.

Dustin Cooper- (legal counsel) spoke about the landscape of the DPP program. GCID, the leading agency under CEQA, met on December 30, 2024, and they approved the environmental impact report for the agreement. The Settlement Contractors Corporation also authorized execution of the agreement, and several other Sacramento River Settlement Contractors have since authorized execution. This is a done deal; the agreement is going to be signed. If ACID does not sign the agreement, we would become, in essence, the poster child, and would potentially be the only agency refusing to sign the agreement.
He mentioned how important *Incidental Take Protection* is; there is a live ongoing lawsuit against ACID and some of the other Settlement Contractors that originated in the 2014-15 drought, where Environmental groups alleged a take of salmon just by virtue of diverting water, even though ACID was diverting according to their contract that their water rights allow. Also, if ACID is diverting 75% of their water and all other agencies divert 50% (per the Biological opinion), the other agencies may sue the District, since the incidental protection take does not cover ACID if they do not sign the contract. The District has a duty to put the water to its maximum beneficial uses.

Director Lund asked Dustin Cooper what is the big rush to get this signed?

Dustin Cooper-He mentioned a couple of reasons for the push to get the agreement signed:
- There was a lot of work that went into it to improve it
- The agreement provides the ability to “front load” the water, which was a hard “no” from the Bureau in 2022, so the District had to take the 18% of water provided “on pattern” rather than taking it as a block of water and running it through the system until it ran out.
- With the Trump administration coming in, at a minimum there would be a delay and a real uncertainty as to how things would play out
- It will be signed in the Biden administration to avoid any further delays

Public Comment

Chris Kelstrom-He thinks we are giving up our rights by signing this contract. Said that we were under a 75% promise in 2022, and now we are guaranteeing 50%, and you think it will be better?

Joanna Brown-How is this going to affect our existing contract? Why would we sell our water for $14 million when we got 7.5 million in the 2022 drought year? Why would we sell 20 years for $14 million?

Chuck Wicks-Why couldn’t we not sign the contract, then turn around and take the water that we do not use then sell it to other Districts, then use that money to improve our infrastructure?

Lisa Michaud-She does not like the fact that ACID will be deciding based on fear and socialist tactics. We need to make the right decision based on the information that we have within our community.

Matt Arrowsmith-How do we decide what the water is worth? What is the per acre foot, and who decides that?

Matt Fowler-Seems like this is a done deal, but looking through the wording of the contract, the things that worried him were the four criteria. In each of the 4 criteria, the word forecast was in there, which tells him that they can manipulate this decision. They could make a moderate year a critically dry year. Does the Bureau make that law, or is there an appeal?

Clint Scroggins-Has been irrigating for over 50 years, and through all those years, he has had nothing but problems with the ditch. Pipes blowing out, losing his land, lost cattle, and trees in the last drought. What is ACID doing to fix the problems?

Zac Mazzotta-Would you say that the EIR (Environmental Impact Report) is the largest reason for making this decision one way or another?

Steve Barr-Thanked the Board for fixing the leak on Shady Lane, it was clay lined. How is the money going to be spent?

Steve McCarley-Former Board member. He wanted to publicly announce that it was a privilege and an honor to serve on the Board for the last couple of years. Is there any way that we can get a wage freeze or a moratorium on wages for the Settlement Contractors based on these funds? He would like to see some of the funds being used to help the farmers in critical drought years to help re-seed, or re-seed his fields.

Shawna Ellsworth-Is there a way to add more addendum to the agreement?

Rowdy McLenan-ACID brought out equipment to repair a leak in the ditch and have been out there in his fields for the last 67 days. He is wondering how long it will take, and when they will remove the machinery.

Roy-Shasta County has good ground water, and the wells would be a good idea. He added that hopefully in the next 20 years they will not be metered. Can the signing be pushed back, and signed later?

Debbie VanEperen-She is asking about the 15 cubic feet per acre that was used in 2024, and it was mentioned that three areas needed to be fixed. What are the veins of the District that are using more water than others are?

Josh Watkins-Water Utility Manager at City of Redding, and members of the Settlement Contractors, and the staff recommendation will be to sign the agreement. Regarding the ground water, we do have a healthy groundwater basin. It is not the intention of any of the agencies in the EAGSA to put meters on the groundwater wells.

Dan Ruiz (General Manager) recommends approval of the Resolution 25-01.

Director Lund asked to change the wording of the Resolution No. 25-01 contract; on the 2nd page, #3, change the wording by deleting the word “to”, and change “an”, to and. Also, add “or Board Chair,” on page 3, #5.

Comments from Director Woolery:

- It is already a done deal, approved by the Settlement Contractor Corporation, and if we refuse, we will not get any money, and we will not get any additional water
- We would lose our incidental take coverage, and the front loading if we refuse to sign, which would make those difficult years almost impossible. This does in many ways ensure that we will not suffer another year like 2022
- The current contract is proven to offer us no guarantee of water in drought years,
- This does provide needed funds to improve and restore District facilities that will enable us to offer a more efficient delivery of water

- It does give us increased involvement in the operation of the river and the Central Valley Project, things that we have never had before
- This does provide a real opportunity to improve the fishery, which is especially important
- Nothing will be gained by delaying the signing of the agreement
- By signing we leave ourselves open to the possibility of purchasing water from other contractors
- We do have time to get organized, and to start working on an action plan for a program year

Comments from Director Lund:

- ACID now has *a seat at the table* with the agencies that hold significant bargaining power for control of California's water supply
- Incidental take- she is extremely concerned about going down that path
- Infrastructure needs have been so great, we could really use the money to tighten up the system
- Regarding future negotiations and setting a precedent: this agreement is based on the fisheries, so hopefully through the work that will be done on the WRAP and tightening up our infrastructure, the issues will be resolved in 20 years

Comments from Director Amen:

- He wants to make sure these funds will go back into the District for improvements
- The District does not really have a choice, and mentioned that other districts up north have been fighting this battle for quite a few years in the Klamath Basin, and the Fort Jones area, 15 years into litigations trying to save their water, and the situation is not going to get easier
- He does see that this agreement will help us, since we will have something to fight with

Comments from Director Butcher:

- He was hoping that we would delay this decision, it has torn him up, and he was thinking of voting no, but has changed his mind since listening to everyone speak, and realized we were backed into a corner
- He voted in 2020 to let them take 82% of our water, and he would still vote the same way, as they had the District backed up into a corner, just like they do this time

Director Rickert made a motion to approve Resolution No. 25-01, with the changes stated above, and seconded by Director Butcher. Vote 5-0.

The Board moved into closed session at 9:10 p.m.

5. Closed Session

a. **Conference with Legal Counsel – Anticipated Litigation (Government Code § 54956.9(d)(2) or (3)**

The Board returned from closed session at 9:50 p.m., and reported no action taken.

6. Adjourn at 9:51 p.m.

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Dan Woolery, Board President