

**DIXON RESOURCE CONSERVATION DISTRICT (DRCD)
MINUTES FOR
APRIL 8, 2015**

DIRECTORS

**MARK HOLDENER, PRESIDENT
SAM BEUKELMAN
RICK MARTINEZ
DAVID VIGUIE**

DIXON RCD STAFF

**JOHN S. CURREY, DISTRICT MANAGER
ANN SIPRELLE, DISTRICT COUNSEL
KELLY HUFF, PROJECT MANAGER
JANICE BEAMAN, OFFICE MANAGER**

OTHER ATTENDEES

**WENDY RASH, DISTRICT CONSERVATIONIST
JIM CAMPBELL, ASSOCIATE DIRECTOR
LEO SOUKERIS, ASSOCIATE DIRECTOR**

1. Call the Meeting to Order

President Holdener called the April 8, 2015, Regular Board meeting to order at 6:00 p.m. at 1170 North Lincoln Street, Suite 110, Dixon, CA.

Present: Beukelman, Martinez, Viguie, Holdener
Absent: None

2. Establish a Quorum

A quorum was established.

3. Approve the Agenda

Mr. Currey noted there is an amended agenda.

A motion was made by Director Martinez, seconded by Director Beukelman, to approve the amended agenda. The motion passed as follows:

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Ayes: Beukelman, Martinez, Viguie, Holdener
Noes: None
Abstain: None
Absent: None

4. **Comments from the Public - None**

5. **Presentations – None**

6. **DRCD/Solano RCD Water Quality Coalition (Irrigated Lands Regulatory Program) – Monthly Reports**

a. **Approval of Expenses from March 12, 2015, to April 8, 2015, and review of the 2014 / 2015 Budget Update.**

Mr. Currey reported that the expenses were added to the agenda.

There was no discussion on this item.

A motion was made by Director Martinez, seconded by Director Beukelman, to approve the Irrigated Lands expenses. The motion passed as follows:

Ayes: Beukelman, Martinez, Viguie, Holdener
Noes: None
Abstain: None
Absent: None

b. **Activities Reports – Monthly Summary of Staff's Activities.**

Ms. Huff discussed the hedgerow workshop, water quality well sampling and responded to the Board's questions.

Director Martinez suggested including the Certified Crop Advisors' (CCA) group in the training so they can try to achieve consistency. He expressed concern with the substantial amount of paperwork that has to be completed.

Mr. Currey noted crop information is being gathered to identify what additional information is needed to determine the appropriate range of fertilization rates and the fate of excess nitrogen. He also discussed major commodities being covered through the Management Practices Effectiveness Program and that they are seeking grant funding to offset costs.

This item was filed.

7. **Natural Resources Conservation Service (NRCS) Report**

Ms. Rash noted she expects EQIP approvals the following week and with two more deadline dates, she hoped everybody does not wait until the last minute.

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She discussed the collaborative effort with Solano RCD on a habitat project, working with organic growers and air quality, being allocated approximately \$600,000 from Bay Delta Initiative. She discussed the Flood Irrigation Management workshop to be held and noted no information has been received regarding the grant proposal. Relating to personnel, Chris Robbins, a new Soil Conservationist from the Yuba City office will be starting in the Dixon Office. Also, Shirley Sanders is retiring on April 29th and there will be a potluck lunch on April 22nd. Ms. Rash responded to questions from the Board.

This item was filed.

8. DRCD Consent Calendar

- a. **Approval of Minutes for the Board Meeting dated March 11, 2015.**
- b. **Approval of Amended Expenses from March 12, 2015, to April 8, 2015, and review of the 2014 / 2015 Budget Update.**

Mr. Currey noted an amended Financial Report was distributed.

A motion was made by Director Beukelman, seconded by Director Martinez, to approve the Consent Calendar. The motion passed as follows:

Ayes: Beukelman, Martinez, Viguie, Holdener
Noes: None
Abstain: None
Absent: None

9. Old Business

10. New Business

- a. **Ditch Maintenance Fees Rate Study – Receive Staff Report and provide direction regarding possible rate study.**

Mr. Currey discussed assessment studies and rate studies from different agencies, having agreements with the City of Dixon, Maine Prairie and Solano Irrigation District that the Board may wish to reconsider, and provided a status report on this year's ditch billing.

Mr. Currey discussed the Proposition 218 voting process, the history and maps of the District, and reviewed graphs of the District's financial position, professional services, governmental services, and tax revenue. He noted the current rate was set in 1988; based on the last five years, he discussed a proposed timeline for a rate increase, suggested the District may want to evaluate a five-year financial plan, and recommended using a committee process to determine the appropriate path to take.

MEETING MINUTES

Director Martinez thought the landowners would think using an outside firm to conduct a rate study would be a waste of money, discussed providing information to members in the newsletter, and felt an auditor could do the study, if necessary.

Ms. Siprelle advised that in order for the fee to be defensible, a study is done so it is made to be part of the record and the rate should not exceed the cost of service.

Mr. Currey noted the reason for the review of the five-year financial plan is to identify goals and associated costs with maintenance and improvement projects. He could look for someone to do a financial plan or he could prepare a scope of services based on a rate study that would meet the test of Prop 218 to see what the costs are and if it would be affordable. The main question is: does the District want to prepare an internal rate study to determine what the rate should be over the next five years?

Ms. Siprelle discussed the requirements for Special Districts are that the allocations need to be fair and reasonable, be able to explain methodology used, and follow the Prop 218 process. She did not think an accountant could provide the necessary information.

Mr. Currey noted that a new rate has little to do with current costs. It is based on the financial plan and the projected cost for the future rate period.

Director Martinez recommended an escalator be included for five years of increase.

Mr. Soukeris suggested a letter be sent to landowners to poll and ask what they want.

Mr. Campbell noted a rate study will show rates from different areas.

Mr. Currey discussed planning for the next 50 years, fundamental changes to laws and cost drivers, deferred action and paying for service.

Director Martinez recognized the methodology will need to be done for the next five year window, but did not think it would be a hardship.

Mr. Currey asked if there would be any penalty if an internal rate study was challenged and determined to be insufficient. Ms. Siprelle replied that anyone can challenge at any time, the District would have to start over and a rate study would have to be done.

Mr. Currey suggested the Board think about what they would like to do and if the Board wants additional information before the next board meeting, to let him know. For the next few weeks he will be working to fulfill a four page Public Records Act request for all drainage records.

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Director Martinez asked that if anyone has any questions or ideas, to send them to Director Viguie or him, as the Financial Committee.

Director Viguie suggested an increase of a flat rate of \$.75 and if the district is challenged, then to prepare a rate study.

Director Martinez felt a rate study should only commence if the fee increase is challenged.

Director Viguie agreed to take the risk and if the increase is challenged, then do the rate study.

Mr. Currey noted that as staff, he would try to provide the best discussion of the rate possible and hopefully be defensible. He felt the next steps after this meeting are to prepare an analysis of the needs and develop the timeline necessary. He suggested that preparing an internal rate study and following the Prop 218 hearing process would allow for a board hearing in June 2016 to set a rate increase.

Director Martinez felt that it is the Board's decision on which method of rate study is best. He felt the preparing an internal rate study is worth the risk. He asked who would send the information to the landowners and what would they receive. He preferred having an accountant and not an engineer help with the rate study.

Mr. Currey replied an accountant would have past information and the future information is a big question.

Mr. Currey noted the landowners in the Irrigated Lands Program pay a per acre fee and the fee can be changed because it is voluntary to join the coalition. Landowners are obligated to be covered either in an Irrigated Lands Program coalition or have an individual permit with the Regional Board.

Mr. Currey noted that he will look for a sample notice and its justification for a Prop 218 vote. He will prepare an internal rate justification, within resources available and would do a formal rate study only if challenged.

This item was filed.

b. California Association of Resource Conservation Districts (CARCD) – Consider CARCD Annual Membership Dues and Special Request for Conservation Strategy Groups (CSG) RCD Advocacy Program.

Mr. Currey noted two years ago the Board approved funding for the advocacy work through CSG and asked the Board if they want to continue with that funding. Mr. Currey identified various matters the CSG has advocated for on behalf of the RCDs.

MEETING MINUTES

A motion was made by Director Viguie, seconded by Director Martinez, to pay the District's annual membership and \$1,500 toward the Conservation Strategy Groups. The motion passed as follows:

Ayes: Beukelman, Martinez, Viguie, Holdener
Noes: None
Abstain: None
Absent: None

12. DRCD Staff Reports

a. District Manager's Report

Mr. Currey noted that the tamarisk removal will be on May 5, 2015, and a burn area may be needed depending on the volume.

Director Martinez and Director Viguie noted they may have a location.

b. District Engineer's Report - None

13. Directors Report

None

14. Communications

None

15. Upcoming Events

16. Announcements

The next Dixon RCD Business Meeting will be on Wednesday, May 13, 2015.

17. Adjourn Meeting

The Dixon RCD Board meeting adjourned at the hour of 9:00 p.m.



Janice Beaman, CMC
Office Manager
Dixon Resource Conservation District