

**MINUTES OF THE GENERAL MEETING OF THE
BOARD OF DIRECTORS OF THE
LOWER SAN JOAQUIN LEVEE DISTRICT
TUESDAY, MAY 13, 2025**

Pursuant to the Call of the Chairman, a regular Meeting of the Board of Directors of the Lower San Joaquin Levee District was held in the office of the San Luis Canal Company at 11704 W Henry Miller Avenue, Dos Palos, Merced County, California on Tuesday, May 13, 2025, at the hour of 8:30 A.M.

CALL TO ORDER

Chairman Catania presided over the meeting and called it to order, with the following Directors present in the board room: George Park, Sean Howard, Breanne Vandenberg, Steve Shehadey, and Bob Kelley. Director Vlot was absent. The following staff were present in the board room: Legal Counsel Lauren Layne, Secretary-Manager Shane Swartz, Superintendent Jody McClellon, and Office Administrator Raegan Huff. The guest present in the board room was Richard Hariman.

PLEDGE OF ALLEGIANCE

Director Vandenberg led those in attendance in the Pledge of Allegiance.

CORRECTIONS OR ADDITIONS TO THE AGENDA

No corrections or additions.

BOARD MINUTES

Following a discussion regarding the previous Board minutes, after making minor grammar corrections, the minutes of the Board's general meeting, held on April 8th, 2025, were approved on a motion by Director Howard and seconded by Director Park.

LEGAL COUNSEL'S REPORT

Attorney Layne provided a brief update on recent legislative developments. She updated the Board on some correspondence she has received. She mentioned that she has been in contact with the attorney for the D&D Land and Water Duck Club. Temporary access was requested to use the State Plan of Flood Control levee off Sandy Mush Road, every other Monday for one month, to check on the cattle they have on their property. After a discussion, the Board members unanimously decided to deny their request for temporary access until further proof can be shown that the members of the D&D Duck Club are authorized to use the patrol road on the levee.

SUPERINTENDENT'S REPORT

Superintendent McClellon reported that the FSRP gravel project for Units 17 and 18, located near Avenue 7, has been completed. He also stated that while San Joaquin Sand and Gravel had trucks in the area, they filled them with sand from the sediment basin of the Chowchilla Bypass and removed approximately 14,000 cubic yards of material.

Superintendent McClellon stated that the FSRP project for Unit 2 will start on May 20th.

Superintendent McClellon reported that the District's maintenance crew has begun mowing the roadway shoulders and levee slopes on Unit 2.

Superintendent McClellon stated that the new Master Locks with the new reserved key have been installed at all major entry points in the District.

Superintendent McClellon reported that the new carport that was budgeted in the 2024-2025 fiscal year has been installed at the District shop.

Superintendent McClellon stated that on April 29th, he traveled to Marysville, CA, to observe the rodent control program at Reclamation District 784.

Superintendent McClellon reported that the rodent control program is ongoing, with the use of Diphacinone bait and carbon monoxide.

Superintendent McClellon stated that gate and fence repairs continue as needed.

ACTION ITEMS

Director Division 3, Reappoint Breanne Vandenberg. Review and consider taking action

S-M Swartz reported to the Board that Breanne Vandenberg's position as Director is up for reappointment. On a motion by Director Park and seconded by Director Howard, the recommendation of Breanne Vandenberg's Director position was approved. The Board directed District staff to send a letter of support to the Merced County Board of Supervisors for consideration of reappointing Breanne Vandenberg to Division Three.

Resolution 736-25: District Board of Directors stating no objection to Modesto Properties' encroachment permit application for the use of an existing drainage inlet culvert to Bear Creek to deliver pumped groundwater to the San Luis Wildlife Refuge.

S-M Swartz presented to the Board Resolution 736-25 for consideration. Resolution 736-25 states that the District Board does not object to the Modesto Properties' encroachment permit application for use of an existing drainage inlet culvert to deliver pumped groundwater from

Bear Creek to the San Luis Wildlife Refuge. Following a discussion, on a motion by Director Howard and seconded by Director Kelley, the resolution was adopted.

**LOWER SAN JOAQUIN LEVEE DISTRICT
DOS PALOS, CALIFORNIA**

RESOLUTION NO. 736-25

**RESOLUTION OF THE BOARD OF DIRECTORS
STATING NO OBJECTION TO MODESTO PROPERTIES' ENCROACHMENT
PERMIT APPLICATION FOR USE OF AN EXISTING DRAINAGE INLET CULVERT
TO BEAR CREEK TO DELIVER PUMPED GROUNDWATER TO THE SAN LUIS
WILDLIFE REFUGE**

WHEREAS, the Lower San Joaquin Levee District ("the District") is a levee district formed, organized, and operating pursuant to the Lower San Joaquin Levee District Act, California Water Code Appendix Chapter 75 (the "Act"); and

WHEREAS, the District's Board of Directors and District staff reviewed Modesto Properties' encroachment permit application ("Application") for use of an existing drainage inlet culvert to Bear Creek that is attached to District water conveyance facilities to deliver pumped groundwater to the San Luis Wildlife Refuge; and

WHEREAS, upon receiving confirmation from the District that it does not object to the proposed Application, Modesto Properties intends to submit its Application to the Central Valley Flood Protection Board ("CVFPB"); and

WHEREAS, Modesto Properties has used the culvert to Bear Creek and another one to the south since approximately 2017 to deliver pumped groundwater to the San Luis Wildlife Refuge. The Application indicates the maximum volume to be pumped is 6,000 acre-feet per year. The agreement for deliveries involves Modesto Properties, the United States Bureau of Reclamation ("USBR"), and San Luis Water District ("SLWD") which can receive up to 3,000 acre-feet per year by exchange; and

WHEREAS, on behalf of the District, Summers Engineering, Inc. ("Summers Engineering") reviewed Modesto Properties' Application and made various findings and recommendations to the District based on that Application, some of which are recited herein; and

WHEREAS, the groundwater pumped by Modesto Properties flows through their ditch to the entrance of the culvert before discharging into Bear Creek. It then flows approximately 1.4-miles downstream to the Bear Creek Pumping Plant, which is owned by the USBR and operated in partnership with the U.S. Fish and Wildlife Service ("USFW"). A turnout structure in the left bank of the East Side Bypass, immediately west of Howard Road, diverts flow to the pumping plant. From there it is distributed across the refuge through a system of pipelines and ditches. Merced Irrigation District delivers 20 cfs into Bear Creek and Modesto Properties delivers another 10 cfs through the draining inlet for a total delivery of 30 cfs to the refuge. Based on flow meter readings provided by Modesto Properties, it appears deliveries from the wells are made from August through January; and

WHEREAS, the pumping plant diversion is just downstream of the confluence of Bear Creek and the East Side Bypass so it is in the path of river restoration flows. There is no fish screen on the diversion structure, but the attached information provided by USFW indicates that improvements to the facilities, including a fish screen, are planned over the next two to 10 years; and

WHEREAS, in May of 2023, CVFPB issued a Notice to Comply which required Modesto Properties to stop their unauthorized use of the drain inlets and return them to pre-modified conditions. This involved restoring the flap gates on the water side of the culverts to their original operating condition and removing all associated flashboard and flow meter structures within the State's right-of-way. Modesto Properties has since complied with returning both drain inlets to pre-modified conditions and submitted the subject encroachment permit application for continued use of the upstream drain inlet at DSID 19896. Modesto Properties also installed new structures in their ditch, which are outside the State's right-of-way and will be used for measurement and control of the flow entering the drain inlet; and

WHEREAS, Summers Engineering determined the water deliveries by Modesto Properties described in the Application will result in flow occurring through the drain inlet and down Bear Creek much more often than it does for normal flood operations. More frequent flows could increase erosion and vegetation growth, requiring additional maintenance by the District; and

WHEREAS, Summers Engineering evaluated the potential impact of the groundwater pumping proposed in the Application in the vicinity of the East Side Bypass, and in an area that has experienced critical rates of land subsidence in recent years. Summers Engineering noted USBR mapping of subsidence for 2022-23 indicates subsidence rates have decreased to a range of 0 to 0.15-feet per year, and the data available indicates well levels have remained steady, and in some cases, have increased during the past three years. Summers Engineering concluded the risk of groundwater overdraft below the Corcoran Clay should be minimal; and

WHEREAS, based on Summers Engineering's review of the Application and follow up information, Summers Engineering does not expect Modesto Properties' continued delivery of groundwater to the Bear Creek Pumping Plant to have major adverse impacts on the District's operation and maintenance of the affected facilities, other than the potential for increased maintenance due to additional erosion and vegetation growth noted earlier. Well level data collected by Modesto Properties over the past few years indicates groundwater levels are steady or have improved slightly, and USBR monitoring indicates subsidence rates have decreased in the vicinity of Modesto Properties' wells; and

WHEREAS, Summers Engineering therefore recommends the District not object to the Application and notify CVFPB; and

WHEREAS, the District is the local maintaining agency responsible for operating and maintaining levees, bypasses, channels, control structures, and other facilities in

connection with the state-owned flood control facility, the Lower San Joaquin River Flood Control Project; and

WHEREAS, Water Code section 1810 prevents a local public agency from denying a bona fide transferor of water the use of a water conveyance facility which has unused capacity, for the period of time for which that capacity is available, if fair compensation is paid for that use; and

WHEREAS, Water Code section 1811 defines "Unused capacity" as space that is available within the operational limits of the conveyance system and that the owner is not using during the period for which the transfer is proposed and which space is sufficient to convey the quantity of water proposed to be transferred; and

WHEREAS, Water Code section 1811 defines "Fair compensation" as the reasonable charges incurred by the owner of the conveyance system, including capital, operation, maintenance, and replacement costs, increased costs from any necessitated purchase of supplemental power, and including reasonable credit for any offsetting benefits for the use of the conveyance system; and

WHEREAS, as of 2025, the District's annual operations and maintenance costs are approximately \$1,726,494.00 to operate and maintain 186.68 miles of District water conveyance facilities. Based on the Application, Modesto Properties seeks to convey water through approximately 1.37 miles of the District water conveyance facilities; and

WHEREAS, District intends to adopt a miscellaneous fee schedule in summer 2025 that includes a "wheeling charge" to recover fair compensation for the use of District water conveyance facilities and the District has informed Modesto Properties of this intent; and

WHEREAS, based upon the analysis and recommendation of Summers Engineering, the District desires to notify CVFPB, subject to certain conditions described below, that the District does not object to the Application.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Lower San Joaquin Levee District as follows:

1. This Resolution supersedes and replaces Resolution No. 735-25 adopted by the District's Board on February 11, 2025.

2. The Board has considered Summers Engineering's evaluation of the proposed diversion facilities and recommendation to the District regarding the Application and hereby does not object to the aforementioned Application, but does require the following conditions:

(a) Modesto Properties agrees to indemnify and hold the District harmless of any liability relative to its operation of the proposed diversion facilities or associated structures; and

(b) Modesto Properties acknowledges and recognizes the District must maintain a functioning flood channel system for passage of flood water, and agrees that in the course of any access for their purposes shall not interfere with District's ability to move water through its system at the point involved; and

(c) Modesto Properties agrees to pay to District the "wheeling charge" to be adopted by the Board pursuant to Proposition 26, to fairly compensate the District for the conveyance of groundwater through District facilities; and

(d) Modesto Properties acknowledges that, consistent with Water Code section 1812, its use of District water conveyance facilities are subject to compliance with District rules, regulations, and policies. District may impose additional requirements related to use of the District's water conveyance facilities and operations and maintenance, scheduling, quality, term, or use; and

(e) Consistent with Water Code section 1810, District's lack of objection to the Application and Modesto Properties' ability to utilize District water conveyance facilities is contingent on there being unused capacity in District water conveyance facilities.

3. The Board hereby authorizes District staff to transmit notification of this action to CVFPB.

4. The Board authorizes District staff/consultants and the Secretary to take such other and additional actions as may be reasonably necessary to implement the purpose of this Resolution.

APPROVED AND ADOPTED by the Board of Directors of the Lower San Joaquin Levee District on the 13th day of May, 2025, by the following vote:

Ayes: 6
Noes: 0
Abstain: 0
Absent: 1

**Lower San Joaquin Levee District
Dos Palos, CA**

By: Roy Catania
Roy Catania, Chairman

Attest

By: [Signature]
Shane Swartz, GM/Secretary to the Board

District Employee Manual update. Review and consider taking action.

S-M Swartz presented the proposed updates to the District Employee Manual to the Board. Changes to the District Employee Manual include adding Veterans Day on November 11th as a District holiday. Vacation- Allowing District employees who have reached their maximum accrual to cash out accrued vacation hours, not exceeding 80 hours or the number of hours equal to 75% of their vacation annual accrual rate, whichever is greater. District Vehicle Policy- the use of company pick-up trucks is restricted to work-related functions and may be used to transport work-related equipment to and from work, subject to prior authorization from the General Manager. Incentive Bonus- The General Manager has the authority to conduct a yearly employee performance appraisal and assign the incentive bonus percentage, ensuring the total cost remains within the approved fiscal year budget. The Ad Hoc committee has Board approval to assign a bonus percentage to the General Manager. After reviewing and following a discussion, on a motion by Director Kelley and seconded by Director Shehadey, the updated District Employee Manual was approved. A copy will be provided to all District employees and will be on hand at the District office.

O&M Budget Proposal Fiscal Year 2024-2025. Review and consider taking action.

S-M Swartz presented the District O&M Budget Proposal to the Board for the 2025-2026 fiscal year. Changes to be made for this fiscal year of operations include a 3.5% wage increase for all District employees and also include a budgeted line of \$40,000 for an incentive bonus, which was approved within the updated District Employee Manual. Fixed assets approval includes the installation of a security fence around the Bifurcation Control Building, a residential well for the District-owned property at 12332 Indiana Rd, electrical upgrades at the Indiana house, and District shop electrical safety upgrades. Equipment approval includes a 3/4-ton pickup truck, a Skid Steer concrete mixer, a Skid Steer auger, and a chemical spray trailer. Following a discussion on the proposed budget for the 2025-2026 fiscal year, a motion by Director Kelley and seconded by Director Park, the Board unanimously voted to approve the 2025-2026 budget for the District.

Budget Proposed Report - Lower San Joaquin Levee District

Fiscal Year: July 1st thru June 30th

		EXPENSES
		FY 2025 - 2026
Account		Approved
Salaries & Employee Benefits		
10110	Salaries & wages - permanent employees	\$652,590.00
10111	Overtime - permanent employees	\$50,000.00
10150	Salaries & wages - temporary employees	\$25,000.00
10151	Overtime - temporary employees	\$0.00
10220	F. I. C. A.	\$38,615.78
10230	Medicare Tax	\$8,698.78
10300	Employee group insurance	\$150,000.00
10350	Unemployment Insurance	\$2,000.00
10360	Workmen's compensation insurance	\$27,500.00
	Deferred Compensation Plan (retirement)	\$35,000.00
Ending Balance (Salaries & Employee Benefits)		\$989,404.56
Services & Supplies		
20500	Clothing & Personal Supplies	\$8,500.00
20600	Communications	\$14,500.00
20900	Household expense - supplies	\$7,000.00
21000	Insurance - other	\$175,000.00
21200	Maintenance - equipment, other	\$95,000.00
21300	Maintenance - structures, improvements, grounds	\$119,000.00
21500	Memberships	\$4,500.00
21600	Miscellaneous expense	\$500.00
21700	Office expenses	\$28,000.00
21800	Professional services	\$50,000.00
21810	Professional services - Contractual Agreements	\$40,000.00
21900	Publications and legal notices	\$500.00
22000	Rents and leases - equipment	\$5,000.00
22100	Rents and leases - structures, improvements, grounds	\$500.00
22200	Small tools and instruments	\$3,500.00
22300	Special department expense, other	\$5,000.00
22500	Transportation and travel	\$85,000.00
22600	Utilities	\$10,000.00
Ending Balance (Services & Supplies)		\$651,500.00
Fixed Assets		
83600	Structures, improvements, grounds	\$65,500.00
83700	Equipment	\$131,000.00
Ending Balance (Fixed Assets)		\$196,500.00
Total Budgeted Expense		\$1,837,404.56

		REVENUE	
		FY 2025-2026	
Account		Forecast	Actual
94200	Interest	\$15,000.00	
96924	Benefit Assessments	\$1,715,874.05	
94210	Rent	\$2,400.00	
97900	Encroachment Applications	\$0.00	
97990	Other	\$0.00	
97990	Grazing Leases	\$2,000.00	
97993	Misc Revenue	\$0.00	
	PY DMP payback Carry-over	\$17,875.34	
	PY Overtime Carry-over	\$49,500.00	
	PY Revenue Carry-over	\$45,728.16	
	Ending Balance	\$1,848,377.55	

SECRETARY-MANAGER’S REPORT

S-M Swartz presented current updates on flood operations and Friant Dam flows.

DWR – Deferred Maintenance Program (DMP) Update

S-M Swartz provided an update on DWR’s Deferred Maintenance Program. S-M Swartz stated that Phase 2 of the DMP project, Package B, which includes six additional pipe replacements, has begun. He also mentioned that three of the six pipes have been completed and replaced by Wood Bros., Inc.

DWR – Flood Maintenance Assistance Program (FMAP) Update

S-M Swartz provided an update on DWR’s Flood Maintenance Assistance Program. S-M Swartz informed the Board that the finalized budget from DWR indicated that the FMAP program would not be funded in the 2025 calendar year. There is a possibility that funding may be restored in 2026, allowing the District to apply for the FMAP 2026 application in August.

DWR – Flood System Repair Program (FSRP) Update

S-M Swartz provided an update on DWR’s Flood System Repair Program. He informed the Board that the FSRP gravel project on Unit 2 will commence on May 20th; this contract has been awarded to FS Rod. He also mentioned that the FSRP Erosion project is still in progress. The District has received the environmental documents, which Scott Jacobson of Summers Engineering is currently reviewing. KSN Engineering is projecting to start work on the FSRP Erosion project in 2026.

DWR – Regional Flood Management Plan (RFMP) Update

S-M Swartz provided an update on DWR's Regional Flood Management Plan. S-M Swartz informed the Board that DWR has provided the updated contract, which designates LSJLD as the primary holder and transfers funds from the San Joaquin River Flood Control Project Agency JPA. The District has been awarded a grant of \$500,000 from DWR, which will be available over the next three years.

BUDGET STATUS REPORT

Following a discussion on the claims present, on a motion by Director Kelley and seconded by Director Vandenberg, the following claims were unanimously acknowledged and approved for payment.

Anthem Blue Cross	Employee Group Insurance	10300	\$8,067.01
Alhambra	Household expense-supplies	20900	\$54.75
AJ Painting	Structures and Improvements	83600	\$5,600.00
Baker Manock & Jensen	Professional services	21800	\$4,418.99
CAL NET	Communications	20600	\$78.20
CalPERS	Professional services	21800	\$70.00
Central Valley Trucking	FSRP Expense	22388	\$90,393.74
Cool World Enterprises	Communications	20600	\$337.00
CoPower	Employee Group insurance	10300	\$113.20
Drugtech Toxicology	Professional services	21800	\$88.00
Elite Credit Card (Shane)	Merced Co. permit, ParcelQuest		\$3,687.45
Elite Credit Card (Jody)	Home Depot		\$140.74
Gilton Waste	Household expense-supplies	20900	\$152.07
Henry Miller Rec. (rent)	Office expenses/supplies	21700	\$1,508.00
Henry Miller Rec. (propane)	Office expenses/supplies	21700	\$48.48
Henry Miller Rec.(postage)	Office expenses/supplies	21700	\$8.69
Holt of CA	Professional services	21800	\$3,204.97
Holt of CA	Maintenance- equipment, other	21200	\$178.08
Kellogg Supply	Maintenance-equipment, other	21200	\$694.98
Madera Carports	FSRP- Structures	87136	\$40,038.18
Merced Co. Department of Ag	Maintenance- structures, other	21300	\$1,120.00
N&S Tractor	Maintenance- equipment, other	21200	\$106.07
PG&E (Office)	Utilities	22600	\$7.68
PG&E (Shop)	Utilities	22600	\$330.42
PG&E (Structures)	Utilities	22600	\$227.65
Shane Swartz	RFMP Expense	22387	\$307.76
Shane Swartz	Professional services	21810	\$2,170.04
Sparkletts	Household expense-supplies	20900	\$71.95
Summers Engineering, Inc.	FSRP Expense	22388	\$13,224.22
Summers Engineering, Inc.	DMP Expense	22389	\$16,508.07
Summers Engineering, Inc.	Professional services	21800	\$724.73
Tharp's Farm Supply	Maintenance- equipment, other	21200	\$288.46
United Rentals	FSRP Expense	22388	\$7,333.49
UniFirst	Clothing & Personal Supply	20500	\$577.32
Verizon Connect	Communications	20600	\$273.20
Verizon	Communications	20600	\$163.19
Westside Water Conditioning	Structures and Improvements	83600	\$1,715.71
Windecker	Transportation and Travel	22500	\$5,102.94
Young's Air Conditioning	Structures and Improvements	83600	\$13,358.49
Zunun Landscaping	Professional services	21810	\$400.00
Zenith	Workers Compensation Insurance	10360	\$4,021.00
			\$226,914.92

OTHER BUSINESS

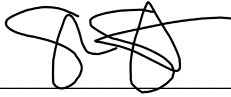
No other business.

PUBLIC COMMENT

No public comment.

ADJOURNMENT

There being no further business, Chairman Catania declared the meeting adjourned at 10:55 AM.



Shane Swartz, Secretary-Manager