

Ivar Amen
President, Division 4

Garrett Wallis
Vice President, Division 3

Ronnean Lund
Director, Division 1

Audie Butcher
Director, Division 2

Matt Arrowsmith
Director, Division 5

Daniel Ruiz
General Manager

Special Board Meeting

Approved Minutes

March 31, 2026, 1:00 p.m.

1887 Howard Street, Anderson (Council Chambers)

1. Call to Order at 1:00 pm by President Amen

Directors Present: Ivar Amen, Garrett Wallis, Audie Butcher, and Matt Arrowsmith

Directors Not Present: Ronnean Lund

Staff Present: Dan Ruiz, Ben Duncan

2. Flag Salute was led by Audie Butcher

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.

Ben Duncan provided the Operations Report during the public portion of the meeting.

- Ben reported that the District is ready to start charging our delivery systems, with all contractor canal work finished and final preparations underway.
- The official operational start remains Monday, April 6th.
- River Flows: Current river flow (~4,100 cfs) may not allow running all three pumps at our Churn Creek diversion facility; $\geq 5,000$ cfs Shasta releases is needed for full capacity.
- Early Pumping: One pump may be tested early to begin wetting the canal.
- Canal Saturation: A five-day fill period is required due to dryness and new construction.
- Debris & Vegetation: Some debris is expected; crews will actively clear it. Weed spraying starts on Monday.
- Customer Communication: Water operators will notify users as water moves downstream.

4. Business Items

- a. Update on the Bay-Delta Water Quality Control Plan and Healthy Rivers and Landscapes (HRL) and other SRSC Activities (Thad Bettner, SRSC Inc. to Present)

Thad Bettner (SRSC) provided a brief update on regional regulatory and fisheries issues impacting ACID:

- The Drought Protection Program is complete; audits clean; two remaining lawsuits are low-risk.
- Winter-run salmon recovery work continues, with focus on better hatchery timing, predator impacts, and floodplain rearing projects.
- The Bay-Delta Water Quality Control Plan is expected to be adopted by late 2026, which will trigger the Healthy Rivers & Landscapes (HRL) program.

2810 Silver Street, Anderson, CA 96007 | Phone: 530-365-7329 | Fax: 530-365-7623

- Under HRL, ACID's estimated contribution is ~6,000 acre-feet, likely through groundwater substitution.
 - The Shasta Structured Decision-Making process is ongoing to evaluate long-term operational and fish-benefit actions.
- b. Discuss District Special Benefit Assessment and Provide Direction on Engineer's Report, Proposition 218 Balloting timeline and Landowner Outreach approach. (Presentation by Danny Kerns, SE P&P)

Dan Kearns (P&P Engineering) - Reviewed of the proposed Special Benefit Assessment, financial need, Prop 218 process, costs, and possible timelines.

Financial Background

- Many years have operated at a deficit, with reserves and transfers filling the gap.
- Capital improvement needs continue to grow and cannot reliably be funded by inconsistent revenue.
- Assessment would help rebalance District costs across all parcels—not just water users.

Special Benefit Definition

Two key benefits to *all* parcels within ACID:

1. Senior water rights are held and maintained by the District.
2. Surface water deliveries and resulting groundwater recharge, which benefit both irrigators and non-irrigators (residential wells, fire protection, flood management).

Proposed Assessment Structure

- Based on the 2024 budget: ~\$1.5M in fixed costs identified.
- District proposed assessing 40% of fixed costs in initial years.
- Draft assessment rate: ~\$19.59 per acre (maximum rate).
 - Board could set a lower rate annually.
 - A five-year maximum schedule would be adopted, then rates plateau unless re-voted.

Prop 218 Approval Process

- Requires affirmative votes (not just absence of protest).
- Votes are weighted by acreage (larger parcels = more votes).
- Ballots must be mailed at least 45 days before public hearing.
- Approval requires 50% + 1 of weighted votes returned.

Estimated Costs

- Approximately \$60,000 for ballot preparation, printing, mailing, and third-party counting.
- Outreach/education could cost \$20,000–\$70,000, depending on scope (mailers, video, website, town halls, etc.).

Board Discussion & Key Points

- General agreement that an assessment may be necessary for long-term financial stability.
- Concerns expressed about:

- Timing (irrigation season performance could influence public support).
- Potential sticker shock for large landowners.
- Need for careful public education explaining benefits to all landowners.
- Strong interest in:
 - Phased outreach beginning in 2026.
 - Possibly lower starting rate (e.g., \$10/acre) depending on updated financial data.
 - Use of videos, social media, and ACID's 2022 drought story to educate the public.

Direction from the Board

- Do NOT proceed with a 2026 ballot.
- Begin preparing public outreach materials and updating the 2025 budget numbers.
- Revisit the assessment, rate structure, and ballot timing in early 2027, after demonstrating a successful 2026 irrigation season.

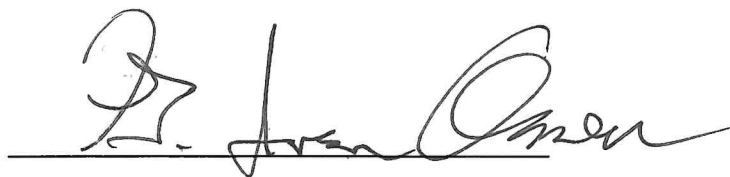
5. Open Session Adjourn at 3:02 pm

6. Closed Session:

- a. Public Employee Employment and/or Performance Evaluation (Government Code § 54957)
Title: General Manager & Operations Manager Evaluation
- b. Conference with Legal Counsel – Potential Litigation (Government Code § 54956.9(d)(1) Consider the following liability claims:
Linda Foster

The Board gave general direction to the General Manager and Counsel.

7. Adjourn at 3:50 pm



Signature