

**RECLAMATION DISTRICT NO. 1000
BOARD OF TRUSTEES
ACTION SUMMARY
Regular Meeting
Friday, February 12, 2010
1633 Garden Highway
Sacramento, CA 95833**

Trustees Present: Barandas, Christophel, Harris, Gilbert, Shiels and Smith
Trustees Absent: Miller

Staff Attendance: General Manager Devereux, Secretary Figueroa and Attorney James Day

APPROVAL OF THE MINUTES

1A) Regular Meeting, January 8, 2010

Motion by Trustee Shiels to approve the minutes of the Regular Board meeting held January 8, 2010 and the Special Board Meeting held January 22, 2010. The motion was seconded by Trustee Harris, duly put and carried.

ADMINISTRATIVE ITEMS

2A) TREASURER'S REPORT – January 2010

The Treasurer's Report for January 2010 is as follows:

County Treasurer- (O/M)	\$ 1,135,413.12
County Treasurer (OPEB)	\$ 909,165.00
O/M Fund – Checking	\$ 118,943.83
Designated Capital	\$ 133,207.29
LAIF (State Treas.)	\$ 696,197.84

Motion by Trustee Gilbert to approve the Treasurer's reports for January 2010 as presented. Seconded by Trustee Shiels, duly put and carried.

2B) EXPENDITURE REPORTS– January 2010

The expenditures for the month of January 2010 were \$235,706.09. The expenditures from various funds are as follows:

Operation and Maintenance:	\$215,706.09
Designated Capital:	\$ 20,000.00

Warrants 7321 & 7322 were issued in the amount of \$200,000.00

3) COMMITTEE REPORTS

A. SAFCA Representatives

Trustee Shiels reported he attended the Executive Committee meeting at SAFCA last week. The Corps of Engineers accepted the hydraulic analysis used in the model for the NLIP. The Vegetation variance request needs to be presented and accepted by the Central Valley Flood Protection Board and submitted to the Corps. There is one law suit

filed so far against the NLIP Phase 3 EIR, and two filed against the Phase 4 environmental document. The state funding for Phase 3 of the project is secure.

Trustee Smith stated that the SAFCA Executive committee meetings now start at 3 pm instead of 4 pm due to the length of the meetings.

B. Executive Committee

Trustee Christophel informed the Board that the Executive Committee met to review the agenda. The committee also discussed the encroachment issue.

C. Personnel Committee

The Personnel Committee met to do the General Manager's quarterly evaluation. GM Devereux has constructed a multi page matrix of his roles and responsibilities for the year which should prove informative to the Board. Trustee Shiels stated he was happy to see the number of items completed for the 2nd quarter. GM Devereux stated that from July through November 75% of his time is on field work and the Natomas Levee Improvement Project. The winter quarter is when he concentrates on administrative items.

D. Finance Committee

Trustee Gilbert informed the Board that the Finance Committee met to review the proposed Budget Amendment and reviewed the OPEB options. The Finance Committee is in agreement with the proposed Budget amendment and has requested more information on potential OPEB funding options and will meet again when the information is available.

E. Urbanization Committee

The Urbanization Committee met to review the draft policy on vegetation management and encroachments on the levee. The process has been expedited because the vegetation variance request needs to be approved to move forward with the Corps Post Authorization Change Report (PACR) to authorize the Natomas Levee Improvement Project. A variance request is being drafted and will go to the SAFCA Board in March. The variance request will include removal of the trees on the landside of the levee to 15 feet from the toe in accordance with the Corps policy. However, the request includes saving the waterside trees. Utility poles may also have to be relocated. The District's main concern with vegetation remaining on the waterside slope is visibility and access for levee inspections, high water patrolling and flood emergency response. After discussion GM Devereux stated that he will get a draft of the proposed variance to the Board.

4A) Amend 2009-2010 Budget

Staff recommended the 2009-2010 Adopted Budget be amended to accommodate the approved purchase of the new excavator. The Finance Committee has reviewed the proposed amendment and recommends approval of the amended 2009-2010 Budget. A copy of the proposed amended budget was provided in the Board packet.

After discussion it was moved by Trustee Harris to adopt the 2009-2010 Amended Budget as presented. The motion was seconded by Trustee Gilbert, duly put and carried. A copy of the Amended 2009-2010 Budget will be made a part of these minutes.

4B) Cap To Cap Travel Expense

General Manager stated that since Trustee Shiels is now the Vice Chair of SAFCA he will be attending the CAP to CAP trip to Washington to meeting with federal elected officials and lobby for SAFCA projects. Typically SAFCA picks up half of the Board members expenses and the parent agency pays the other half. Since most of the federal flood control efforts are directly benefiting Natomas flood protection, it is appropriate for the District to share in the expense. GM

Devereux recommends the Board approve the District paying half of Trustee Shiels Cap to Cap expenses.

Motion by Trustee Harris to authorize payment of 50% of the Cap to Cap expense for Trustee Shiels. The Motion was seconded by Trustee Gilbert, duly put and carried. Trustee Shiels abstained from voting.

5) GENERAL MANAGER'S REPORT

A. Regional Flood Control Issues

General Manager Devereux stated that \$87 million in federal appropriations are in the proposed President's Budget for FY 2011 however, that is \$30 million below the Corps capability and what SAFCA believes is needed to fully fund Sacramento's flood control program. Trustee Shiels stated that to get work done in other areas of Sacramento, SAFCA needs to get the Federal credits and/or reimbursement to repay other areas for work done in Natomas. SAFCA is pushing to keep the 75% Federal and 25% Non-federal cost sharing under the old formula. The new Federal cost sharing is 65/35; however, SAFCA believes the 75/25 cost sharing can be maintained under the American River Watershed Investigation agreement. The State controller is anticipating higher revenue than previously forecast which is good news for the State budget still forecast to have an estimated \$20 billion deficit. Everything in Washington DC is focused on the upcoming election right now so it is difficult to get things done.

B. Flood Season Update

General Manager Devereux informed the Board that we are nearing the end of the flood season. The long range forecast is for drier than normal. Shasta is at 58% of capacity, Oroville at 36% and Folsom at 36%. There is a lot of storage capacity left in all the reservoirs for the spring snow melt or if we have a warm spring storm.

C. Status Natomas Mutual Water Company Agreement

General Manager Devereux informed the Board he has been working with Trustee Christophel trying to schedule a meeting with the Natomas Mutual Water Company Board President Dan Spangler to discuss the proposed agreement. GM Devereux and Superintendent Bickler recently attended the NMWC shareholders meeting to directly address the shareholders on the District's concerns.

D. Levee Inspection by Corps of Engineers

General Manager Devereux informed the Board the Corps of Engineers completed the inspection of the District levees and it went well in terms of being able to observe and access the levee as necessary. Trustee Smith asked if the District would receive a summary of their inspection. GM Devereux stated that he did not know what the schedule was for the Corps to release the results of the inspection. Attorney Day stated that he has heard the Corp of Engineers inspection is finding numerous potential issues with the levees up and down the Central Valley.

E. Status Natomas Levee Improvement Project

General Manager Devereux stated the prior discussion covered information on the status of SAFCA's NLIP and he has nothing further to report at this time.

F. LAFCO Municipal Service Review

General Manger Devereux informed the Board the Sacramento County LAFCO has approved the Municipal Service Review. The report states the District is conducting its business in a highly professional and cost effective manner in serving the constituents in Natomas.

6.) District Counsel Report

Attorney Days informed the Board his firm has spent time the past month on the excavator bid and award; the OMRR & R agreement among the District, State and SAFCA, which has finally been approved; and worked with the General Manager on an informational letter to the Garden Highway residents regarding the Corps of Engineers levee inspections.

There being no further business to come before the Board, the meeting was adjourned.

President

Secretary