

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

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

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

After calling the meeting to order the Board moved to Item 4C. A briefing from Tim Washburn of SAFCA on the status of the Natomas Levee Improvement Project.

4C) Natomas Levee Improvement Project – Vegetation Variance Request by SAFCA.

General Manager Devereux stated that SAFCA is working on a vegetation variance request to be submitted to the Corps of Engineers which would allow the existing vegetation on the waterside of the levee to generally remain. Current Corps policy requires removal of vegetation from both the landside and waterside levee to a distance of 15 feet from the toe. Tim Washburn, SAFCA's Director of Planning, provided background information for the Board on the vegetation issue and the proposed variance request.

In 2007 the Corps of Engineers issued draft levee vegetation management policy intended to supersede all previous federal guidelines which called for the removal of vegetation as described above. In August 2007 a Levee Vegetation Symposium was held in Sacramento recognizing that the levees in the central Valley are heavily vegetated. In August 2007 the California Levees Roundtable was formed with the Local, State and Federal agencies and in March 2009 a communiqué was published outlining the framework for addressing the Corps of Engineer's vegetation management policy in California. In February 2010 the Corps of Engineers issued a draft process for obtaining variances from their vegetation management policy. The proposed vegetation variance request is consistent with the guidelines established for such a request.

He noted that SAFCA's geotechnical and hydraulic engineer's have reviewed and confirmed the structural integrity of the levee will not be jeopardized if the vegetation is allowed to stay. They have determined that even if the waterside vegetation is lost due to erosion, scour or wind-throw, the remaining levee section will not fail due to instability.

Mr. Washburn explained the variance request is being forwarded to the Central Valley Flood Protection Board who must approve and formally submit the request to the Corps. The Corps has insisted this variance request be included in their Post Authorization Change Report (PACR) being submitted to Congress in support of federal authorization of the proposed Natomas Levee Improvement Project (NLIP). As noted, the policy would require removal of landside vegetation consistent with the Corps' vegetation policy, but allow the waterside vegetation to remain supporting the riverine ecosystem and avoiding the significant impacts to fisheries if it were to be removed. This variance request is only for the perimeter levees around the Natomas basin. There was a lengthy discussion among the Trustees about the proposed vegetation variance.

No action was required by the Board unless the Trustees were not in support of the proposed variance request. No opposition was expressed

APPROVAL OF THE MINUTES

1A) Regular Meeting, February 12, 2010

Motion by Trustee Harris to approve the minutes of the Regular Board meeting held February 12, 2010. The motion was seconded by Trustee Barandas, duly put and carried.

ADMINISTRATIVE ITEMS

2A) TREASURER'S REPORT – February 2010

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

County Treasurer- (O/M)	\$ 1,936,586.16
County Treasurer (OPEB)	\$ 912,126.00
O/M Fund – Checking	\$ 85,742.66
Designated Capital	\$ 133,279.18
LAIF (State Treas.)	\$ 697,259.05

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

2B) EXPENDITURE REPORTS– February 2010

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

Operation and Maintenance:	\$240,055.94
Designated Capital:	\$ 2,000.00

Warrants 7323 & 7324 were issued in the amount of \$200,000.00

3) COMMITTEE REPORTS

A. SAFCA Representatives

Trustee Shiels informed the Board that there is a draft White Paper on flood management policy in the Central Valley proposed for the State Plan of Flood Control differentiating between urban and non-urban areas. Letters have been sent to some property owners whose ownership extends under the levee in order to get those areas cleaned up and acquire the property underlying the levee. SAFCA is likely to only complete the NLIP down to Powerline Road without Federal authorization and money.

General Manager Devereux stated that he will asked Stein Buer from SAFCA to brief the Board on some significant changes to the schedule and timing of improvements on the NLIP. When the project stops due to lack of state and local funds it is anticipated to fall short of the improvements necessary to allow an A99 flood zone designation for Natomas. It is unlikely the Corps of Engineers will be able to immediately initiate construction on the remaining improvements leaving a gap between SAFCA's construction and the Corps'. This will affect timing of necessary improvements to the District's pump stations due to the proposed levee improvements. Four of the District pump stations need to be modified, and the remaining three are still to be fully evaluated. It appears SAFCA does not have the funds to modify the pump stations and will leave this work to the Corps of Engineer's which is a concern to the District. GM Devereux stated that he needs to meet with SAFCA and discuss the status of improvements to the existing pump stations. He also noted the likelihood of a WRDA this year is looking less likely.

B. Executive Committee

Trustee Christophel informed the Board the Executive Committee met to review the agenda and discussed the NLIP.

C. Personnel Committee

The Personnel Committee met to discuss employee wages and benefits for the 2010/2011 Budget.

4A) Election of Special District Representative for the Sacramento County Oversight Committee

Nominations for the Sacramento County Treasurer Oversight Committee are now being accepted. After discussion no Trustee was interested in being nominated for the position and no action was taken by the Board.

4B) CSDA Board of Directors Call for Nominations – Seat B

The California Special District's Association is seeking nominations to serve on the Board. After discussion no Trustee was interested in being nominated for the position and no action was taken by the Board.

4C) Natomas Levee Improvement Project – Vegetation Variance Request by SAFCA

This item was moved to the top of the agenda and discussed above.

4D) Draft Five Year Budget Projections

General Manager Devereux presented a five year budget projection to the Board. Based on projected expenditures and revenues he anticipates a surplus for the first three years and a potential deficit the last two years. However he was quick to note this was based on projections and the District currently has a healthy reserve so the near term cash flow for the District is in good standing. Trustee Shiels stated the District may need to fund a portion of the pump station improvements and should consider setting aside funds. GM Devereux stated the improvements to the pump stations are mitigation for the levee improvements and should fairly be funded by SAFCA and the Corps of Engineers as part of the NLIP. Trustee Christophel stated he is concerned about potential future deficits and believes the best time to go forward with a Proposition 218 election to raise the District's operation and maintenance assessment is after the insurance requirements are reduced; however he noted that could be some years away.

5) GENERAL MANAGER'S REPORT

A. Regional Flood Control Issues

General Manager stated that a little optimism seems to be coming out of the State. The financial crisis appears to be leveling off. He noted the majority of the State Department of Water Resources capital budget is designated for SAFCA projects which speak to the flood risk facing Sacramento.

B. FY 2011 Federal Flood Control Appropriations

Federal appropriations are a significant issue. The Folsom Dam Project construction appropriation for next year is \$100 million alone, with an additional \$40 million if the Corps is ready to continue construction on the NLIP. This would be the largest federal appropriation for the Sacramento area. SAFCA is pushing to get \$30 million more than is currently in the President's Budget for FY 2011.

C. Flood Season Update

General Manager Devereux informed the Board that the forecast is for above normal rain in March. Shasta is at 79% of capacity, Oroville at 42% and Folsom at 48%. He believes Folsom will fill with the snow melt.

D. Encroachment Permit Applications Endorsed

GM Devereux endorsed the following permit applications:

- 4101 Garden Highway – Ames – Boat dock and gangway
- 3651 Garden Highway – Hapopian – Photinia Shrubs (existing)
- 10005 Garden Highway – Gnagy – Boat Dock (existing)
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E. Upper North West Interceptor Project – Regional Sanitation District

General Manager Devereux updated the Board on the status of the Sacramento County Regional Sanitation District’s project. Through the course of construction, several grout leaks occurred which surfaced on and adjacent to our East Drain levee. Following construction, three sinkholes developed also near the East Drain levee. In light of these issues, GM Devereux sent a letter to Regional Sanitation District management requesting they investigate these anomalies and develop a mitigation plan to address the deficiencies to the satisfaction of the District.

6.) District Counsel Report

Attorney Days informed the Board his firm has spent time the past month the agreement between the District and the County on the Hwy 99/Elverta Road Interchange. The OMRR & R Agreement is done, and some work on the Joint Use Agreement between DWR and the District regarding acquisition of property in the SULRP that was not transferred to the District.

7.) Superintendent’s Report

Superintendent Blicke stated that the crew spent a lot of time on pumping plant operations and levee patrol. They have completed the spraying on the levees and are doing the spring spraying on the ditches and pumping plants. He is looking to rent another long stick excavator to removed sediment from some of the larger canals. Tree trimming on the Sacramento River has been done with District crew and a tree trimming contractor and they have excellent visibility on both the land and waterside of the levees now. More time was also spent on garbage removal.

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

President

Secretary