

**RECLAMATION DISTRICT NO. 1000
BOARD OF TRUSTEES
ACTION SUMMARY
Regular Meeting
Friday, January 14, 2011
1633 Garden Highway
Sacramento, CA 95833**

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

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

APPROVAL OF THE MINUTES

1A) Regular Meeting, December 10, 2010

Motion by Trustee Shiels to approve the minutes of the Regular Board meeting held December 10, 2010 as presented. The motion was seconded by Trustee Miller, duly put and carried.

ADMINISTRATIVE ITEMS

2A) TREASURER'S REPORT – December 2010

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

County Treasurer- (O/M)	\$ 1,588,747.02
County Treasurer (OPEB)	\$ 918,470.00
O/M Fund – Checking	\$ 314,082.97
Designated Capital	\$ 996,225.14
LAIF (State Treas.)	\$ 700,087.91

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

2B) EXPENDITURE REPORTS– December 2010

The expenditures for the month of November 2010 were \$130,024.65. The expenditures from various funds are as follows:

Operation and Maintenance: \$130,024.65

Warrants 7339 and 7340 were issued in the amount of \$200,000.00

3) COMMITTEE REPORTS

A. SAFCA Representatives

Trustee Shiels informed the Board construction activities on the Natomas Levee Improvement Project are minimal focusing on relocation of utility poles, demolition, tree removal and tree transplanting. Most of SAFCA's energy at this time is focused on the formation of the proposed new assessment district in Natomas. The Assessment Engineer's report is due in February 2011. There will likely be a special meeting in March

to approve the report and move forward with a special proposition 218 election to close in April. SAFCA is already about two weeks behind schedule and this may cause the construction to slip into 2012. SAFCA is still working to transition completion of the project to the Corps of Engineers. This requires Congressional authorization which we are hoping is included in a Water Resources Development Act bill (WRDA) in 2011. Congresswoman Matsui has introduced a stand alone bill authorizing the Natomas project; though it is not expected to pass, it could be incorporated into the 2011 WRDA. Getting congressional authorization for the project is the biggest hurdle to getting the Corp on Board.

General Manager Devereux informed the Board he has asked the acting General Manager of SAFCA, Rick Johnson to appear at the February Board meeting and give the Board an update on the NLIP and the proposed Assessment District formation.

Trustee Harris asked if this would delay lifting the moratorium on building to 2014. General Manager Devereux stated that SAFCA is still saying 2012, but as Trustee Shiels indicated, they may not finish construction until 2013. Trustee Shiels stated that currently the plan is to transition completion of the project to the Corps of Engineers in 2012. They are projecting completion of the project in 2017, which is several years past the original completion date.

B. Executive Committee

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

C. Personnel Committee

Trustee Harris informed the Board the Personnel Committee met with Kathleen Grace of Grace Consulting to review final draft report prepared on health benefits. The Personnel Committee made some recommendations for modification and additions. The Personnel Committee will meet again with Ms. Grace to review the revised final report. The Committee will report to the Board in February on the findings and make recommendations regarding a second tier for new employees, vesting requirements and re-evaluating the medical benefits.

D. Urbanization Committee

Trustee Christophel informed the Board that the Urbanization Committee met to discuss options for commemorating the District's 100 year anniversary in 2011, reviewed a proposal to create a commemorative book which is to be considered on today's agenda and encroachment issues.

E. District Tour

General Manager Devereux stated on January 7 the Board, with the exception of Trustee Barandas, along with staff took a tour of the District's facilities including the recently completed NLIP levee improvements. Trustee Shiels stated he was surprised to find there are low points in the Natomas Cross Canal (NCC) where slurry wall and levee improvements have not been completed. He was under the impression all work on the NCC had been done. Staff explained the gaps were where pipe crossings for the NCMWC facilities and our Plant 4 are located and will be completed when the pipes are removed and/or raised, but the NCC was substantially complete.

4A) Election of Officers – Committee Assignments

Trustee Barandas stated that at the request of Board President Christophel he surveyed the Trustees to determine their interest in serving on the various committees, or serving as Officers of the Board of Trustees. At this time there was a clear consensus to retain the current President and Vice President and well as the current committee configurations.

Motion by Trustee Barandas to retain the current slate of officers for the Board of Trustees; Trustee Christophel as President and Trustee Shiels as Vice President. The motion was seconded by Trustee Harris, duly put and carried by a unanimous vote.

The committee assignments will remain the same as last year, with the exception to include Trustee Smith on an additional committee if he so desires. It was noted that should a committee include 4 members, thereby constituting a majority of the Board, then that particular Committee's meetings would be noticed as a Board Meeting in conformance with the Brown Act.

The standing committees are as follows:

<u>Committee</u>	<u>Current</u>
Executive	Christophel, President Shiels, Vice President
Finance	Gilbert – Chairman Harris Miller
Legal/Legislative/PR	Barandas – Chairman Gilbert Harris
Operations	Christophel – Chairman Barandas Smith
Personnel	Harris – Chairman Shiels Barandas
Urbanization	Christophel – Chairman Miller Shiels
SAFCA Representatives	Shiels Smith
SAFCA Alternates	Miller Barandas

4B) Banking Resolution

The Board is required annually to adopt a Banking Resolution setting forth specific signature and signing authority. A resolution has been prepared by staff for adoption by the Board. There are no changes to the current resolution from the prior year authorizations.

Motion by Trustee Barandas to approve Resolution 2011-01 as drafted. The motion was seconded by Trustee Shiels, duly put and carried.

4C) 2010-2011 Budget Amendment

General Manager Devereux informed the Board he has provided a memo and a spread sheet on the proposed budget amendments for fiscal year 2010-2011. There is no net change in the overall budget amount, just adjustments between line items in the budget. The proposed amendments were reviewed with the Finance Committee at the January 13 Finance Committee meeting and they are recommending approval of the amendments as proposed.

Motion made by Trustee Harris to adopt the 2010-2011 Amended Budget as presented. The motion was seconded by Trustee Barandas, duly put and carried.

4D) Policy on Booking Assets from Facility Improvement Projects

General Manager Devereux stated during the audit process it was decided the Board should adopt a formal policy on booking off balance sheet assets, such as SAFCA's Natomas Levee Improvement Project. At a previous meeting the Board directed staff to draft a policy to book these assets at the completion of each phase, or when the improvement is in service. However, after the Board tour some of the Trustees expressed concern that the "in service" date may not be adequate, if the improvement is not 100% complete. The Natomas Cross Canal improvements are "in service" and SAFCA considers the Phase complete, however, they will be going back to finish filling in the gaps and dips in the levee once the facilities in the levee, i.e. pipes, are removed or relocated. The Finance Committee will meet to review this item and determine what the best way forward is when booking off balance sheet assets to the District's financial statements.

4E) Contract for Development of District 100-year Anniversary Book

General Manager Devereux informed the Board that he has received a solicitation from Donning Publishing to develop and print a commemorative 100-year anniversary book for the District. The book would document and commemorate the history of the District and could be used as an outreach to community groups, elected officials and others in the community. The Urbanization Committee met with a representative from the publisher and reviewed the specifications and is recommending the Board enter into the agreement to develop and print 1000 copies of the commemorative centennial book.

Considerable discussion ensued among the Board members about the need to solicit additional proposals and/or bid the project. Attorney Day indicated he would research the issue, but felt that the contract is not required to go out for competitive bid if it requires particular artistic and literary skill sets to perform the work. Trustee Harris stated he believes that even if formal competitive bidding is not required, an RFP should be sent to a few potential vendors.

A motion was made by Trustee Harris to direct the General Manager, if it is determined that formal competitive bidding is not required, to prepare an RFP and solicit proposals for the proposed commemorative centennial book project. Seconded by Trustee Gilbert, carried by the following vote:

Ayes: Barandas, Harris, Gilbert, Christophel
Noes: None
Abstain: Miller, Shiels
Absent: Smith

4F) Sacramento LAFCO – Nominations for Membership on Special District Advisory Committee

No action was taken on this item.

5) GENERAL MANAGER'S REPORT

A. Regional Flood Control Issues

General Manager Devereux stated since an FY 2011 Federal budget has not been approved, Congress voted to maintain funding at 2010 levels. This means federal funds can be moved from the Folsom project to assist with design on the NLIP. The Governor released the State Budget, and despite cuts there is \$5.4 million for South Sacramento Streams Project, \$9.6 million for American River Common Features and \$39 million for the Folsom Dam Joint Federal Project.

B. Flood Season Update

General Manager Devereux informed the Board that the trend seems to be toward a drier spring. However, the forecast also called for below average precipitation this past fall in Southern California which received record rainfall. The reservoirs are all in relatively good shape for the spring run off.

C. Garden Highway Encroachments

General Manager Devereux informed the Board the Urbanization Committee discussed the encroachments along the Garden Highway and that there is concern there may be issues with bringing properties in compliance with the standards set out in the SAFCA-RD 1000 Encroachment Standard White Paper.

D. Permits Endorsed

General Manager Devereux endorsed two encroachment applications for PG&E work along the Sacramento River. One permit is for a service connection to supply power to irrigation pumps on the waterside of the levee at the Cummings property that were relocated to accommodate NLIP improvements. The second, located near I-5, is for the remove an old regulator and installation of a new regulator and appurtenant facilities to service properties on the water side of the levee. The work will be done after the flood season.

E. Status of Archiving District Records

Staff reported that all real estate (easements, rights of way, etc.), agreements and encroachment permits have been scanned and stored. Scanning of the District's By Laws is also complete. In process are financial documents, such as bank statements, budgets and audits. Next on schedule for scanning are resolutions, ordinances and policies. Scanning of Board minutes will begin after staff has confirmed there are duplicate sets of bound minutes located at the District's Corporation Yard shop. Scanning of the minutes will have to be done offsite by an outside vendor because of the binding.

6.) District Counsel Report

Attorney Day stated that it was a slow month and there was not much activity for the District.

7.) Superintendent's Report

Superintendent Blicke stated field staff have been on 24 hour patrol and running the pumps since mid-December due to the above average precipitation . The river was at or above patrol stage also during December for several weeks. As the river levels dropped, field staff have also mowed the levees and ditch banks and cut up downed trees. Superintendent Blicke received report of a slip at 7907 Garden Highway and investigated the site. He determined this was an old slip site 75 feet from the levee toe on private property, is not threatening the levee and therefore is the responsibility of the property owner.

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

President

Secretary