

**RECLAMATION DISTRICT NO. 1000
BOARD OF TRUSTEES
ACTION SUMMARY
Regular Meeting
Friday, July 8,, 2011
1633 Garden Highway
Sacramento, CA 95833**

Trustees Present: Barandas, Christophel, Gilbert, Harris, Miller Shiels and Smith
Trustees Absent: None

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

APPROVAL OF THE MINUTES

1A) Regular Meeting June 9, 2011

Motion by Trustee Barandas to approve the minutes of the Regular Board meeting held June 9, 2011 as presented. The motion was seconded by Trustee Shiels, duly put and carried.

ADMINISTRATIVE ITEMS

2A) TREASURER'S REPORT – June 2011

The Treasurer's Report for May 2011 is as follows:

County Treasurer- (O/M)	\$ 2,926,989.24
County Treasurer (OPEB)	\$ 920,885.00
O/M Fund – Checking	\$ 403,509.16
Designated Capital	\$ 396,565.47
LAIF (State Treas.)	\$ 701,768.88

Motion by Trustee Barandas to approve the Treasurer's report for June 2011 as presented. Seconded by Trustee Shiels, duly put and carried.

2B) EXPENDITURE REPORTS - June 2011

The expenditures for the month of June 2011 were \$273,677.37. The expenditures from various funds are as follows:

Operation and Maintenance: \$273,677.37

Warrants 7351 & 7352 were issued in the amount of \$200,000.00

3) COMMITTEE REPORTS

A. SAFCA Representatives

Trustee Shiels stated the Joint Federal Project (JFP) at Folsom Dam costs have increased \$20 million because of change orders which SAFCA was anticipating. The Corps has lost much of their staff expertise on large dam projects. Trustee Smith stated that the lesson learned in working with the COE is you have limited control and influence even as a project sponsor and the costs are likely to exceed their original estimates. The

estimate for the Natomas Project from SAFCA was \$850 million while the Corps estimate is \$1.1 billion. The COE is proposing to design the project in house with their staff. Trustee Shiels stated the SAFCA Board is prepared for delays and cost overruns.

The Corps is proposing a change in projects eligible for crediting using language from the 2003 Water Resource Development Act (WRDA). This would not allow credit for projects which are not federally authorized. Our Natomas project, though not authorized, has already been approved for credit using Section 104 of a previous WRDA.

Independent Construction should be done with the NLIP work they are doing at the end of July or early August. The last contract awarded by SAFCA for the levee section from I-5 to Powerline Road recently started construction. It is anticipated all slurry wall work will be done, but the levee construction will not be complete until 2012

Negotiations with Nordic Construction, working between Elverta Road and I-5, were very contentious last year. Because of the high groundwater conditions in the basin, they have submitted significant claims again this year for delays and changed conditions. AT& T has moved all the lines they needed to move for the project.

B. Executive Committee

The Executive Committee met to review the agenda. In attendance were Trustees Christophel, Shiels and Harris, and General Manager Devereux.

C. Personnel Committee

Trustee Harris informed the Board the Personnel Committee met on June 22 to review the General Manager's performance evaluations submitted by the Trustees. He will compile the information and email it to the Trustees. Once that is done the Executive Committee will present the evaluation to the General Manager. In attendance were Trustees Harris, Shiels and Barandas.

4A) Adopt Resolution of Intention to Approve an Amendment to the Contract Between CalPers and Reclamation District No. 1000 – 2nd Tier Pension

General Manager Devereux discussed the Board's desire to create a second tier of pension benefits for new employees which was conceptually approved by the Board earlier this year. The pension benefit recommended by the Personnel Committee and approved by the Board includes the 2% @ 60 formula with three years average compensation used to calculate the benefit. Current employees pension benefit is based on the 2% @ 55 formula and highest average 12 month salary. To create the second tier for new employees, the Board will need to adopt the attached Resolution of Intention to amend the agreement with CalPERS. The actual amendment cannot be passed for a minimum of 20 days and will be considered at the August Board meeting. If approved, the amended benefit and second tier will apply to new employees hired after September 1.

Motion by Trustee Harris to adopt the Resolution of Intention to Approve an Amendment to the Contract Between CalPers and Reclamation District No. 1000 as outlined by staff. The motion was seconded by Trustee Shiels, duly put and carried.

4B) Encroachment Permit – Addition and Remodel at 7021 Garden Highway Variance to Setback from Centerline of Levee and to Recommended Elevation Requirement

There was no action on this item as information was not received from property owner prior to the meeting.

4C) Future Disposition of District Historical Data (Maps, Photos and Plans)

General Manager Devereux informed the Board in preparation of the District's Centennial book large collection of historical and archival type information including photographs, documents and

ledgers has been amassed. Once the book is complete he would like to donate these items to an appropriate facility for preservation and to be available to the public for research and information. There are several options including The State Archives in downtown Sacramento, Water Resource Archives at University of California-Riverside or the City/County Historical archives which is local. A brief discussion ensued among the Board members and staff was directed to research the various options and make a recommendation to the Board. As part of donating the materials, staff would like the District to retain certain rights for access and use in the future.

4D) Information – Agreement with Domenichelli and Associates for General Engineering Services

General Manager Devereux requested authorization to enter into a General Engineering Contract with Domenichelli and Associates for additional engineering support. They are a small firm and the District will deal with the principles of the firm similar to the relationship the District had with the engineering firm of Ensign and Buckley. The firm's principal and project manager has experience in levees, pump stations and construction management including work with the Corps of Engineers and State in Stockton and with SAFCA. Trustee Christophel asked if specific scopes will be included for each task. GM Devereux responded projects for which a scope and not to exceed fee can be determined will have them. Other tasks where the scope cannot be readily defined will be on a time and materials basis with a not to exceed fee. Trustee Shiels asked about the consultant's hourly rates and if they will go up in the future. GM Devereux responded the hourly rates are 15% to 20% less than we currently pay to Mead and Hunt. He also indicated the consultant will hold their rates for one year. Trustee Shiels requested this be included in the contract.

Motion by Trustee Barandas to authorize the General Manager to enter into a General Engineering Contract with Domenichelli and Associates. Seconded by Trustee Shiels, duly put and carried.

5) GENERAL MANAGER'S REPORT

A. Regional Flood Control Issues

General Manager Devereux informed the Board Joe Countryman is retiring and a retirement party will be held for him on July 28. Mr. Countryman has been involved in the flood control in Sacramento for many years first with the Corps of Engineers and then with MBK Engineers working for SAFCA and is responsible for much of the progress we have made in improving flood protection for Sacramento.

GM Devereux informed the Board that the District was having issues with Pinky's a nightclub on Garden Highway and their patrons who are parking on the new levees and leaving trash after large parties. GM Devereux has written a letter to the owners and no parking signs have been posted.

B. Flood Season Update

General Manager Devereux informed the Board that the snow melts is decreasing and the snow packs are diminishing, however, he believes the river will remain high through the end of the year.

C. Status – SAFCA's Natomas Levee Improvement Project (NLIP)

General Manager Devereux stated Trustee Shiels has already reported on this item and he has nothing to add.

D. Corps Workshop on National Levee Rating Program

General Manager Devereux informed the Board he attended a Corps of Engineers workshop on their levee rating program a couple of weeks ago. The process is to inventory and rate all levees using the Corps' standards. The goal is to raise the awareness and risk levees pose in the federal funding process and insure the worst

levees get the most federal funding. GM Devereux stated he believes another goal of the program is to relieve the Corps of potential liability from future levee failure. The District's levees were one of the first ones rated based on their pre-NLIP construction conditions. The local COE district has been told to go back and re-evaluate the levees based on the construction to date in Natomas. .

E. Status of OPEB Actuarial Study and Joining CERBT Trust Fund

General Manager Devereux informed the Board the actuary has completed the valuation but did not complete all tasks requested including impacts of partial funding on the District's liability. GM Devereux will resolve these issues with the actuary, meet with the Finance Committee, and make a recommendation to the Board.

F. Contract with Grace Consulting for District Job Descriptions

General Manager Devereux stated he has contracted with Grace Consulting to develop job descriptions for the District. This will be about a one month process once the work starts.

G. Encroachment Permits Endorsed

General Manager Devereux stated he has not endorsed any permits this period. However, there is another enforcement action in process by the CVFPB at 5291 Garden Highway regarding fencing. The property owner was informed that a permit was required and has not complied.

H. Update Plant 1B Improvements – North Natomas Assessment District

General Manager Devereux informed the Board that Mead & Hunt are putting together a schedule for the project and the environmental documentation.

6.) District Counsel Report

Attorney Day stated in May his firm spent 1.7 hours on SAFCA condemnation actions , 2.2 hours on the agreement to defer the SAFCA O/M payment to the District, 0.3 hours to respond to NMWC request that the District act as lead agency on CEQA ,0. 31 hours on copyright issues regarding District's photographs, 0.8 hours reviewing Airport agreement to turn over Plant 5 land to the District per agreement and 0.75 hours to review the Domenichelli contract

7.) Superintendent's Report

General Manager Devereux stated the crew has been focusing on mowing this month. Large rock was moved from Cross Canal to Hwy 99 to accommodate the Natomas Water Company project.

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

President

Secretary