

**RECLAMATION DISTRICT NO. 1000
BOARD OF TRUSTEES
ACTION SUMMARY
SACRAMENTO, CA
October 12, 2018
8:00 A.M.
1633 Garden Highway
Sacramento, CA 95833**

Trustees Present: Smith, Barandas, Harris, Christophel, Gilbert, Burns, Avdis

President Smith presided at the meeting.

Public Comments: There were no public comments

Agenda changes: Item 4C was removed from the agenda; Item 4A changed from informational to an action item

1. Approval of the Minutes of the Board of Trustees

Minor edits were accepted. Trustee Burns motioned to approve the minutes, seconded by Trustee Gilbert, and carried by a unanimous vote.

2. Administrative Items

A. Treasurer's Report for September 2018

Checking:	\$ 124,350.09
Money Market:	\$ 150,000.00
County Treasurer:	\$ 2,079,461.99
LAIF:	\$ 3,009,528.23
City Pool A:	\$ 2,059,781.64

All Treasurer's reports were included in the board packet. ASM Gutierrez announced that she will request a warrant in the amount of \$1 million from the District's O/M Fund held by the County Treasurer. Five Trustees will sign off on the warrant. A motion was made by Trustee Harris to approve the Treasurer's Report with minor edits, seconded by Trustee Burns, all in favor, motion carries.

3. Committee Reports

A. SACFA

Trustee Barandas provided the SAFCA update. He reported that Congress passed the 2019 Corps budget which included funding for the Natomas levee project; the 2018 Water Resources Development Act was approved, though there are no Sacramento projects in the bill; several rule changes to the Endangered Species Act are being proposed by the administration and expects a year of litigation before changes are finalized.

He reported on the status of the various Corps Natomas Levee Project contracts including work starting in Reach D along the Natomas Cross Canal; Reach I, along the American River where the contractor is

waiting for a pipe for the city water supply, then work will begin; real estate issues on Garden Highway are affecting ingress and egress access due to the levee project's right of way needs at the tow of the levee. A temporary immediate solution is in place; however, a longer-term solution will need to be determined. American River Common features – erosion work along the American River is scheduled to begin in 2020, seepage work in the Pocket Area will begin next year, there is no construction or start date assigned for the actual widening of Sacramento Weir. Trustee Avdis asked about right of way along Reach I. Staff reported the state is the lead; however, SAFCA has taken responsibility for the homes that need alternative access when the ramps to Garden Highway are closed. Reach B right of way acquisitions along the Sacramento River may be difficult. GM Devereux said SAFCA is taking the lead on this issue.

B. Special Board Meeting

A Special Board and Executive Committee meeting was held on October 3, 2018 to set the Board agenda. The committee met to set the October Board meeting agenda. The Committee discussed ASM Gutierrez requesting \$1 million from the District's Sacramento County Treasury Fund to replenish its O/M Fund in anticipation of O/M budgeted expenses. Trustee Burns provided an update on the September Urbanization Committee meeting. The Committee discussed the District's upcoming insurance renewal and talked about the GM recruitment selection process; revisited Plant 1 transformer power options and whether a decision still needs to be made by the Board. Last item discussed was an issue regarding a culvert drainage pipe that was removed 18 years ago from landowner Bob Leal's property. Staff will research the issue to see if there are still outstanding issues to address or whether this issue has already been resolved. A copy of the meeting minutes was included in the Board Packet.

C. Urbanization Committee Meeting

Trustee Burns reported that an Urbanization Committee was held on September 19, 2018. GM Devereux talked about the system-wide improvement framework (SWIF) and impacts on existing and future waterside encroachments as well as proposed levee setbacks in areas of new development. The Committee will need to examine justification for the additional setbacks which may lead to a Board policy in the future to determine levee, easement and canal policies. Trustee Avdis would like to better understand the policy or process as he is concerned that the land will become an attractive nuisance. This topic will be discussed at the November 8 Urbanization Committee meeting. Trustee Harris inquired about the off-duty patrols. GM is working with the Sacramento Police Department Impact Team concerning patrols. GM is also in discussion with Pride Industries concerning potential assistance with garbage clean up and light vegetation removal. The District may cost share with American River to meet Pride's full-time work requirement.

4. Board Business

A. Insurance Renewal

This item was changed to an action item. GM Devereux explained the differences between the two insurance proposals – Water Plus and Cal-Mutual (a new pooled product being offered to Special Districts). Both proposals provide similar coverage, the Cal-Mutual proposal has a lower annual premium and offers a \$7 million increase in liability coverage. The District would have reinsurance through both policies. Staff recommends staying with Water Plus due to concerns of shared risk with like reclamation districts. The District may consider Cal-Mutual in the future. Staff recommends that the District remain with its current policy Water Plus. A copy of insurance proposals was included in the Board packet.

Trustee Christophel made a motion to approve staff's recommendation to remain with its current Water Plus policy, seconded by Trustee Barandas, by unanimous vote, motion carries.

B. Steve Yeager update on Corps Natomas Project

Steve Yeager handed out a document with updates on the Corps Natomas Levee Project schedule. Reach I, a partial Notice to Proceed was issued for the Seepage blanket @ I-5 to be completed by December 2018, and Spring 2019 start for the Cutoff Wall. A major issue will be traffic control with a one lane closure on Garden Highway. The City and Caltrans are coordinating final traffic plan details. The Corps is expected to mail out an informational notice of lane closures and impacts at Reach I. Trustee Burns shared concern about not having a District public outreach plan on this issue. To alleviate his concern, GM Devereux suggested that once the Corps' letter is received, the District could help distribute it to specific community groups to help get the word out.

Reach I, contract 2, is not scheduled due to tree trimming concerns/commercial property access easements; difficulty negotiating is anticipated. Reach H, construction is anticipated in Spring 2019. There are right of way and encroachment issues to resolve. Reach D, work is moving forward but at Plant 4 there are timing and endangered species issues to resolve. Because of these issues, work will likely begin in May 2019 on the Plant 4 reconstruction which creates a potential issue for Plant 4 to not be in operation for next flood season.

C. Greenbriar development- Accept Drain Easement; grant easements SMUD and City of Sacramento

Item 4C was pulled from the meeting agenda.

D. Chris Burns' report on CSDA Conference

Trustee Chris Burns provided an update on his recent attendance at CSDA's Annual Conference. He shared learning about GM hiring, evaluation and termination practices. He became informed of the number one general liability issue that special districts face - tree liability. He suggested the District pay close attention to this in the event new trees are planted. A general Board discussion ensued about "recreational trails" and additional immunity. The District's Legal Committee will further discuss this issue as appropriate.

5. General Manager's Report

- A. On the state level SAFCA is working with DWR to continue a positive funding relationship. He noted Congress has passed three consecutive Water Resource Development Acts in the even years consistent with past practice. Congresswoman Doris Matsui is scheduling a groundbreaking event for the Natomas Project. GM Devereux will inform Trustees of actual event details when they are received for possible participation. The Corps continues to have difficulty with its resource management. SAFCA has contracts in place for the Corps to use, but the Corps is resisting this assistance. The Corps reached out to its districts nationally for assistance and did not receive a single response. Trustee Jeff Smith expressed concern over contracts evaporating because they are not being used and consultants may have other projects.
- B. GM Devereux reported that in anticipation of flood season, staff is in prep mode and will attend a training on November 8. A local Sacramento County pre-flood season coordination meeting is

scheduled on October 30. We are still looking at a 75% chance of an El Nino – equal chance of wet/dry. The District had a recent levee inspection by DWR and staff is conducting levee encroachment inspections; we will conduct testing of pump plants. Outreach efforts are underway, staff is updating emergency contacts and making other preparations in anticipation of flood season.

- C. Scott Brown from Larsen Wurzel provided a SCADA update. He reported progress is being made on all the electrical equipment; however, he is working out a solution to an issue with proposed radio frequency to be used. He reported a change order will be necessary to proceed with the FCC License authorized under GM's Change Order authority. SCADA plant work will be completed in November and communications work would follow later. Communications will not be functional until late in the winter flood season.
- D. GM recruitment closes on October 12. GM Devereux asked the Board about their engagement in the process. The Board revealed it is still interested in reviewing all applicants. Next month Bob Murray from Bob Murray and Associates, will recommend the top candidates in closed session and candidates will be interviewed at a subsequent special Board meeting. If additional candidates are selected by the Board, they will be interviewed. Board members will be responsible for their participation in reviewing candidate application materials. Selection of the new GM will likely be announced at the December board meeting.
- E. Consultant Scott Brown from Larsen Wurzel and Associates provided an update on the Plant 1 transformer issue. He reiterated options were 4 single phase transformers, one 3 phase transformer or explore an option with higher voltage. SMUD has determined it is not possible to install a 3-phase transformer due to the physical location of Plant 1. SMUD is looking into a higher voltage option, but it is not clear when SMUD will have information. Scott Brown recommends the District move forward with 4 single phase transformers. A spare would be held at SMUD's yard. Rule 2 charges could increase by \$1200. ASM Gutierrez will schedule an Operations Committee to discuss this issue further. The Committee will have a recommendation to the Board in December.

6. Public Outreach Update

Outreach consultant Karen Pardieck advised of upcoming River Oaks Community and Gardenland meetings scheduled on November 7 and 8 where GM Devereux will provide a brief flood season update. Karen is working with the GM on placing our current District Newsletter in N Magazine. She continues to work on organizing 6 years of her public outreach files in chronological order, by topic.

7. District Counsel's Report

Counsel Jim Day provided a verbal update of his work during the month of September 2018.

8. Superintendent's Report

A copy of the Superintendent's report was included in the October Board packet.

9. Correspondence/New/Information

None.

10. Closed Session

The Board authorized GM Devereux to proceed with negotiations regarding purchase of parcel under consideration.

11. Adjournment