

**RECLAMATION DISTRICT NO. 1000
BOARD OF TRUSTEES
ACTION SUMMARY
SACRAMENTO, CA
December 14, 2018
8:00 A.M.
1633 Garden Highway
Sacramento, CA 95833**

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

President Smith presided at the meeting.

Public Comments: There were no public comments

1. Approval of the Minutes of the Board of Trustees

One minor edit was accepted. Trustee Avdis motioned to approve the minutes, seconded by Trustee Burns, and carried by a unanimous vote.

2. Administrative Items

A. Treasurer's Report for November 2018

Checking:	\$ 86,342.87
Money Market:	\$ 243,408.59
County Treasurer:	\$ 1,096,074.99
LAIF:	\$ 3,526,065.31
City Pool A:	\$ 2,059,781.64

All Treasurer's reports were included in the board packet. ASM Gutierrez provided an overview of expenditures during the month of November and the Budget to Actual Report. A motion was made by Trustee Harris to approve the Treasurer's Report, seconded by Trustee Avdis, all in favor, motion carries.

3. Committee Reports

A. SACFA

Trustee Barandas provided a SAFCA update. He informed the Board that Natomas is the only SACFA project that needs funding; all other projects are fully funded. He also reports that SAFCA projects are not competing against themselves for funding.

The first American River Watershed Common Features (WRDA 2016) project will begin in 2019. Designs are in process for construction on Arcade Creek and the Natomas East Main Drain. On the Sacramento River, the state is moving forward with their part of the project -- moving levees along the Sacramento Weir. There is a maintaining agency issues that still needs to be determined as it applies to the State Maintenance Area 9 levees around the weir. Complications resulting from State/SAFCA/Feds contribution rules regarding funding are being worked out.

The Bryte Landfill Relocation Project will be addressed, and authorizations completed at SAFCA's January's Board meeting.

SAFCA's share of construction costs for the Folsom Dam Raise Project may be eliminated due to an agreement with the Bureau of Reclamation. If that takes place, where SAFCA would not be contributing capital costs, there will still be a need for annual Operations and Maintenance funds.

Other updates: Reach D in Natomas, work on the Vestal Drain has been shut down temporarily due to weather and will resume in 2019; the work at RD 1000's Plant 4 and removal of Bennet and removal one other abandoned crossing will occur in 2019; Reach I, at the I-5 overcrossing, traffic control is being negotiated with the City; Reach H, Natomas East Main Drain, will be awarded in 2019. Reach B, residential property purchases are being conducted as part of the levee fix. Contract will be awarded next year; Yolo Bypass, ongoing regional planning efforts resume with 15 agencies cooperating.

B. Executive Committee Meeting

Trustee Jeff Smith reported the Committee met on December 5, 2018 to set the agenda for the December meeting. Topics covered were staffing recognition, the ongoing transformer issue, final candidate interviews for the general manager position, trash cleanup along NEMDEC, resolution to a CalPERS pension benefit issue for ASM Gutierrez, and the Leal pipe issue along the V Drain. A copy of the Executive Committee Meeting minutes was included in the Board packet.

C. Special Board Meeting - Interviews

A Special Board meeting was held on November 30 to conduct interviews for the GM position. No action was taken.

D. Finance Committee Meeting

Trustee Gilbert reported the Finance committee met on November 14 to review the District's audit. In attendance were Trustees Thom Gilbert and Jeff Smith; Fred Harris participated by phone. The Committee discussed the District's FY 2017-2018 audit at length with the auditor, accountant consultant, and staff. Auditor Mary Ann Cropper reported the audit went smoothly. The Committee discussed OPEB funding requirements, the roll-back of GASB 75 implementation, and auditors' suggestions. The Committee determined the audit is ready to be finalized for Board action. A copy of the audit was included in the Board packet.

E. Special Board Meeting/HCP Ad Hoc Committee Meeting

Trustee Christophel reported that the Committee met to discuss potential advantages/value of joining the HCP. The District's environmental consultant is taking a broader look at regulatory compliance requirements and what a compliance strategy might look like. The consultant also looked at O/M activities associated. The Committee is comfortable with the direction and strategy proposed by staff. Trustee Barandas made known that the District would not have endangered species take coverage for its use of herbicides. This aside, he believes the benefits of joining HCP would outweigh the herbicide aspect. GM Devereux explained that the consultants will continue to research information and bring in a decision document in June 2019.

F. Operations Committee Meeting

Trustee Barandas reported the Operations Committee met on November 16, 2018. In attendance at this meeting were Trustees Barandas, Smith, Christophel, and Burns representing a quorum of the Board

thereby making it a Special Board Meeting. The Committee discussed the transformer options at Plant 1, culverts in the V Drain, who requested culvert pipes installation, who benefits. The issue was looked into and due to lack of information, the Committee asked that the GM negotiate with landowner to have culverts replaced and ensure a clear understanding is determined moving forward as to whose responsibility culvert pipes will be in the future should any issues arise. A new District policy may be developed. A copy of the Operations Committee Meeting minutes was included in the Board Packet.

G. Personnel Committee Meeting

The Personnel Committee met on December 7, 2018. In attendance at this meeting were Trustees Burns, Christophel, and ASM Gutierrez with Trustee Harris and GM Devereux participating by phone. The Committee met to resolve a CalPERS retirement pension issue for ASM Gutierrez and align it with the benefit offered at the time of hire.

4. Board Business

A. Recognition for Umberto Gutierrez and Ron Peterson for 20-years of service to the District in 2018

Field crew staff Umberto Gutierrez and Ron Peterson were recognized for their 20-year service to the District; sentiments were offered by Board members and GM.

B. Authorization for General Manager to Accept Drainage Easements and Quitclaim Existing Easements related to the proposed Greenbriar Development Project in the City of Sacramento

GM Devereux reported there is one minor adjustment to what is on the agenda regarding authorization for him to accept drainage and access easements. He is not ready for a recommendation on quitclaiming the existing RD1000 easements; however, he will continue to work with consultant Mark Rodgers from Wood Rodgers. At this juncture, GM is only seeking authority to work with Counsel Jim Day to accept drainage easements for the improvements that are proposed as part of the Greenbriar Project, along the perimeter of the project. This will include one access easement, on the east side by HWY 99. GM Devereux then requested the Board's authority to accept easements in conformance with what is being provided in the Board packet. Trustee Smith expressed concern about proposed high voltage power lines and safety, and compliance; he inquired about proximity of SMUD poles to RD1000's ditch. Trustee Smith also shared concern of the access road weight support as a proposed bike trail vs. weight of heavy equipment vehicles. GM Devereux estimates voltage lines would be 5 feet off the edge of our ditch. Trustee Christophel asked if maintenance can be shared. The HOA will maintain trash around the open space area but will not manage ditch or vegetation maintenance. Trustee Burns would like GM Devereux to report back to the Board once the easements are recorded. A motion was made by Trustee Christophel to authorize GM Devereux to move forward with accepting the access and drainage easements for the Greenbriar Project as discussed. Moved by Trustee Christophel, seconded by Tom Barandas, all in favor, motion carries. Trustee Nick Avdis was absent from the vote.

C. Approve District Audit for FY 2017-2018

The District's 17-18 Audit was included in the Board packet. The Auditor's recommendations were discussed. On behalf of the Finance Committee, the Finance Committee Chair Thom Gilbert recommends the Board approve the final Audit. Moved by Trustee Harris, seconded by Trustee Gilbert, all in favor, motion carries. Trustee Nick Avdis was absent from the vote.

D. District Sponsorship of Creek Week for 2019

GM Devereux explained that the Sacramento Creek's Council is requesting RD1000's support for the annual Creek Week event April 5-13. This is an excellent community relations opportunity for the District to get involved volunteers and partnering organizations. The District generally makes a \$1000 contribution and an equivalent in-kind contribution toward dump fees and trash haul away by RD1000 staff. All Trustees are encouraged to participate in this community event. A motion was made by Trustee Christophel to authorize the District's financial contribution and in-kind contribution, seconded by Trustee Barandas, motion carries. Trustee Avdis was absent from the vote.

E. Compensation adjustment for District Administrative Service Manager for CalPERS Retirement Benefit Correction

GM Devereux explained there is a CalPERS retirement benefit issue for Administrative Service Manager Joleen Gutierrez. He then presented a recommendation to resolve the ASM's pension benefit issue. Joleen was hired as a Classic CalPERS member with a retirement benefit of 2% at 55. CalPERS has since changed this formula to 2% at 60 due to a new tier created by the District in 2012. PEPRAs prevents the District from making amendments or modifying the CalPERS contract. The District does not have the ability to place the ASM in the previous 2% @ 55 benefit tier. Actuarial studies by Bartel and Associates have shown the District would need to contribute annually 10.8% of Joleen's salary to a 457 Plan in order to make up the pension benefit difference. A staff report discussing the specific terms and conditions of contributions was included in the Board packet. GM requests that the Board approve the defined contributions to ensure that ASM Joleen Gutierrez receives an equivalent retirement benefit she expected at time of hire. Trustee Christophel confirmed with Ms. Gutierrez that she was comfortable with this arrangement. A motion was made by Trustee Burns to approve the pension benefit contributions, seconded by Thom Gilbert, motion carries. Trustee Avis was not present for the vote.

5. General Manager's Report

A. Regional Flood Control Issues

GM Devereux explained that Trustee Barandas covered flood control issues in his SAFCA report.

B. Flood Season Update

Over the next three months December through February there is an equal chance of wet or dry weather. Right now, Shasta, Oroville, and Folsom are all below conservation levels and have substantial storage available before needing to make any releases.

C. Corps Natomas Project Update

This item was already discussed in the SAFCA report. GM Devereux added the Corps signage for the Reach I contract is up and reads, "December 10, 2018 through June 2020 to expect delays, detours and construction."

D. Plant 1 Spare SMUD Transformer

Scott Brown from Larsen & Wurzel reported that 2 transformer options are off the table due to size limitations. There is not physical space for a three-phase transformer. SMUD will not move forward with these options. The District is left with the decision to move forward with a 4th spare transformer. Mr. Brown explained that through this process, he learned that we could run Plant 1B with two transformers

and successfully run 5 of the 6 pumps. Modeling runs have revealed we would have adequate levee freeboard, but there could be out-flanking issues along the West Drain Canal in some agricultural areas. The District would have the ability to run the Plant with 5 pumps to handle 100 to 200-year storms with some limited flooding. He also noted, if a transformer goes out, the District now has a backup generator that could run both pump plants in an emergency, though the fuel consumption would be significant. After additional modeling, a plan will come back to the Operations Committee in January 2019.

Scott Brown also provided a brief SCADA update. He noted an issue at Plant 8 with control panels not communicating properly. Tesco is in process of resolving control panel issues. Plant 8 and Plant 3 should be fully operational in December. Plant 1 would follow in early 2019.

E. PG&E Vegetation Management project American River Parkway

GM Devereux provided information about PG&E's active vegetation management (vegetation removal) under their power lines through the American River Parkway. Parkway advocates have filed suit against PG&E for CEQA and environmental compliance; PG&E continues to work. RD1000 is involved because PG&E will perform some of the work on RD1000 property. They have an easement right to manage the vegetation, but when it comes to levee work, they will need to work with the District as to how and when work is conducted to preserve the stability and integrity of the levee system. A permit has not been issued for PG&E to conduct vegetation removal along levees. GM Devereux has worked with Counsel Jim Day on a letter advising PG&E of the need to work with the District when managing vegetation along the levee.

F. Clean Up Coordination by RWQCB in NEMDC Floodway

The Regional Water Quality Control Board has been working toward facilitating a multi-agency cleanup of garbage and trash along Steelhead Creek (NEMDC). RD1000 and other agencies partnered this week and in a 4-day collaborative effort, removed 60 tons of garbage from ½ mile reach of the floodway. GM Devereux estimates the District's cost of equipment, manpower, and dump fees are estimated at \$25,000.

G. V Drain Pipe Culvert Replacement

GM Devereux will negotiate cost sharing of replacement of pipe culvert crossings. The District will develop a policy going forward. Three crossings will need to be replaced. Two of the culvert crossings have a benefit to the District, but the third does not so a cost-sharing arrangement will be negotiated for installation of the third pipe. Beyond this, a culvert policy will be in place to formally clarify the policy. Trustee Barandas asked if this would be retroactive. This had not been determined.

6. Public Outreach Update

Karen Pardieck thanked everyone for an enjoyable 6 years working with the District on its public relations mission as she is set to retire from this work. She will be invited back in early 2019 for a proper recognition and goodbye.

7. District Counsel's Report

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

8. Superintendent's Report

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

9. Correspondence/New/Information

ASM Gutierrez announced that LAFCO is seeking nominations for their advisory committee. Trustee Barandas believes he currently sits on this advisory committee. No other Board members were interested in being nominated.

A quarterly security report by Stacy Brookman was provided in the Board packet.

10. Closed Session

PUBLIC EMPLOYMENT

Title: General Manager

The Board came out of Closed Session. No action was taken in Closed Session. The Board delegated authority to the Personnel Committee to make a final General Manager hiring recommendation.

11. Adjournment