



**Reclamation District 1000
Board of Trustees Meeting**

1633 Garden Highway
Sacramento, CA 95833

**FEBRUARY 8, 2019
MEETING MINUTES**

The Reclamation District 1000 Board of Trustees met in regular session on this date at the District Office. Present were: Board President Jeff Smith; Board Vice President Tom Barandas; Trustee Nick Avdis; Trustee Chris Burns; Trustee David Christophel; Trustee Thom Gilbert; General Manager Paul Devereux; District Counsel Jim Day; Administrative Services Manager Joleen Gutierrez; District Superintendent Don Caldwell; and Administrative Assistant Christina Forehand.

Also Present: Debra Bishop firm principal and Craig Stevens consultant from H.T. Harvey & Associates.

Absent: Trustee Fred Harris

Public Comments: There were no public comments.

1. Approval of the Minutes of the Board of Trustees

ASM Gutierrez accepted changes. Trustee Avdis made a motion to approve the January 11, 2019 Board meeting Minutes. Seconded by Trustee Barandas, carried by a unanimous vote, motion carries.

2. Administrative Items

A. Treasurer's Report for January 2019	
Checking:	\$ 53,029.53
Money Market:	\$ 293,440.25
County Treasurer:	\$1,113,112.39
LAIF:	\$2,945,527.72
City Pool A:	\$2,059,781.64

All reports were included in the board packet. A motion was made by Trustee Christophel to approve the Treasurer's Report, seconded by Trustee Barandas, by unanimous vote, motion carries.

3. Committee Reports

A. SAFCA Representatives

Trustee Barandas reported out on the January 2019 SAFCA Meeting. In Reach I: contractors are working on traffic details and the waterline. The Corps has received bids on removal of pipes under I-5 which contain asbestos. In Reach H, the Corps awarded a contract at the end of January. Work is expected to begin after March and go through 2020. Reach D at the cross canal, is shut down for the winter. Work on Plant 4 pumps will start in April. This summer three contractors will be working in the Natomas area.

Trustee Barandas provided the following updates: part of the Folsom Dam raise project has been moved to 2019 to spread construction across multiple years; SAFCA is working with the United Auburn Indian Tribe to reestablish a Maintenance Agreement from 2016; the Corps is continuing with their encroachment incentive removal project; as part of the Bypass Project, SAFCA is still working with the state to get the state's lower Elkhorn Basin Project rolled into the WRDA 2016; SAFCA is working with a local a reclamation district to design and build a new pumping station, as part of Bypass widening program.

B. Executive Committee Meeting

Trustee Jeff Smith reported out on the Committee meeting. The Committee met on January 30, 2019. In attendance at the meeting was Trustee Jeff Smith, Trustee Tom Barandas, Trustee Fred Harris participated by phone. The Committee reviewed the proposed agenda for the February 8, Board meeting. Committee meeting minutes were included in the Board Packet.

C. Personnel Committee Meeting

GM Devereux reported out on the Committee meeting. The Personnel Committee met on January 18, 2019. In attendance at the meeting was Trustee Fred Harris, Trustee Chris Burns, Trustee Christophel, and General manager Devereux. The Committee discussed the new GM's transition to RD 1000; discussed modifying the Administrative Assistant's position; reviewed the District's current OPEB benefit and may look at alternatives to see what other Districts are doing. GM Devereux also suggested the Committee review the OPEB benefit for new employees and how prior years of CalPERS service credit determines the benefit. GM Devereux suggested looking into options with CSDA. Committee meeting minutes were included in the Board Packet.

D. HCP Ad Hoc Committee and Special Board Meeting

Trustee Christophel reported out on the Committee meeting. The Committee met on February 1, 2019. In attendance at the meeting were Trustees David Christophel, Tom Barandas, Nick Avdis, Chris Burns, and Fred Harris which made this a Special Board Meeting since it included a quorum of the Board. Trustee Christophel explained that the Committee is looking at a couple of options. One is to move forward with more rigid compliance with BMTs. The other is to look into joining the HCP. The Committee still desires a better understanding of the costs associated with joining the HCP. Once this information is known, the Committee believes a decision can be made. Trustee Avdis, would like the District to gauge

its legal exposure and understand exposure risks. Trustee Avdis reminded the Board that the District had not joined the HCP for 20 years and he would like to understand why. Trustee Burns would like to learn about GM King's experience the HCP since Solano Irrigation District recently joined the HCP. Committee meeting minutes were included in the Board packet.

E. Finance Committee Meeting

Trustee Gilbert reported the Finance Committee met on February 1. In attendance at the meeting was Trustee Thom Gilbert, Trustee Fred Harris, Trustee Jeff Smith (participated by phone), GM Devereux, and ASM Gutierrez. The Committee reviewed budget line items. The Committee determined budget adjustments would not be necessary. Trustee Smith suggested producing a budget curve to identify by month when expenditures occur so we would not have to review budget overages. Staff will look into this in the coming years once data is built up in our new accounting system.

Auditor's contract was discussed. The Committee wanted to determine whether we should seek services from other accounting firms. The Committee directed staff to request a one-year audit engagement proposal with Cropper Accountancy. The District may seek out new RFPs from other auditing firms in 2020.

The Committee then discussed pension liability options through PARS and CalPERS to possibly take advantage of a higher rate of return. Down the road, the District may consider moving its OPEB fund to PARS as well. Discussions about pension liability will continue. A copy of the Finance Committee meeting minutes was included in the Board Packet.

4. Board Business

A. Annual Banking Resolution – Signatures/Authorization

ASM Gutierrez explained that an Annual Banking Resolution is Required by Sacramento County Treasurer's Office and by our financial institution Bank of the West when updates are necessary. Trustee Christophel moved to adopt the Resolution, seconded by Trustee Avdis, by unanimous vote, Resolution is adopted.

B. County of Sacramento 2019 Investment Policy for the Pooled Investment Fund

ASM Gutierrez reported that the County of Sacramento 2019 Investment Policy for the Pooled Investment Fund had been received. The Board is required to review. The Board acknowledged receipt of this policy. ASM Gutierrez will file the policy.

C. Karen Pardieck Resolution-Public Relations Support

GM Devereux presented a Resolution to Karen Pardieck, the District's retiring PR Outreach coordinator. He highlighted her years of service with the District and thanked her for an outstanding job in creating awareness among community leaders. The Resolution was circulated for signature. Trustees individually thanked Karen Pardieck.

D. H.T. Harvey and Associates Contract Amendment for Environmental Consulting Services

GM Devereux explained that H.T. Harvey consultants still have a couple of tasks to complete before a decision to join the HCP can be made. He is recommending the Board authorize the General Manager to

amend the previously approved master services agreement with H. T. Harvey and Associates for environmental consulting services.

Trustee Burns made a motion for a roll call vote on this item, seconded by Trustee Barandas. Trustees voted as follows: Trustee Christophel aye, Trustee Barandas, aye, Trustee Smith aye, Trustee Burns, no, Trustee Gilbert aye. The H.T. Harvey contract amendment is approved. Trustees Fred Harris Nick Avdis were not present for the vote.

After the vote, there was a discussion about Trustee Burns' concerns. Trustee Burns raised concern about paying more for deliverables from the May 2018 contract which have yet to be presented to the District. Specifically, he was looking for the HCP decision document, the comparison of the current O&M practices versus O&M practices that conform to the HCP and the financial cost comparison of joining the HCP versus continuing with existing operations. He noted that despite the original May 2018 engagement letter stating the O&M comparison was already 80% complete, the District has not received it. He pointed out that at the September 2018 Board meeting, district staff said the HCP decision document was expected to be ready by the end of 2018, but to date, the District does not have this document.

In response to Trustee Burns' concerns, H.T. Harvey consultants Debra Bishop and Craig Stevens explained that what is left pending are all of the questions for the agencies to answer re compensatory mitigation, permits and costs, and possible legal issues. GM Devereux plans to come back to the HCP Ad-Hoc Committee in late March or April with questions answered. Craig Steven's added there was an unanticipated item that took time away from the original plan. Mr. Steven's explained, H.T. Harvey & Associates needed a baseline, detailed O/M Plan, which they did not anticipate. They needed to know what RD 100 does, how it is done, where it is done, equipment used. Now that the consultants have this information, they will be able to make comparisons and figure the actual cost of changes.

5. General Manager's Report

A. Regional Flood Control Issues

This item was previously covered in the SAFCA report.

B. Flood Season Update

The short-range forecast is calling for wetter than usual. The long range is equal chance or drier. They're not consistent.

C. Corps Natomas Project Update

Trustee Barandas provided an update in his report. GM Devereux added Reach H, Steelhead Creek, six properties have encroachments into the right-of-way, letters have been sent, and to date, GM Devereux has heard back from two property owners. The state will survey and stake the Right of Way line, so property owners understand what moving the fence line will look like. GM Devereux is working with the Corps to figure out what is in the contract and how the Corps will manage issues and security concerns.

D. Plant 1 Spare SMUD Transformer

Plant 1 Spare SMUD Transformer. A decision needs to be made whether we continue to have a spare, transformer and its impacts if power is lost, and cost analysis. We've completed hydraulic modeling. ASM Gutierrez will schedule a meeting with the Operations Committee Meeting so that a decision can be made.

E. V Drain Letter re Drain Pipe Culvert

Three pipe crossings along v drain at the end of useful life. Caltrans originally installed pipes due to their freeway widening project. The record is not clear if the pipes were installed for and by the property owner or for and by the District. GM Devereux, in working with the Operations Committee. We agreed to replace two of three pipes as they have a benefit to the District's O/M, but the third pipe does not benefit the District. GM Devereux is still negotiating with grower and owner. GM Devereux wants to clarify full easements rights for District access for maintenance. Other issues to negotiate is whether the district would continue to replace pipes in the future if deemed they have no benefit to the district. This still needs to be negotiated with the property owner Bob Leal.

F. Homeless Camps and Regional Water Board

This item was already discussed.

G. Potential to Pre-Fund Pension Liability

GM Devereux Devereux made known that Public Agency Retirement Services (PARS) representatives made a briefing to staff about a trust program they run which allows public agencies and special districts, cities, counties to invest money for OPEB and Pension liability. PARS would invest on the District's behalf to receive higher rates of return. CalPERS will also roll out a new trust program for pension liability. Staff will continue to research the two options to answer the question, Should the District pre-fund pension liability? Staff will continue to research this item with the Finance Committee.

H. Flood Maintenance Opportunity

GM Devereux conducted research and has determined for a modest investment staff could pull together grant paperwork and apply for a Flood Maintenance Grant which is due at the end of February. We would potentially be eligible to receive money to reimburse the District for deferred maintenance activities and to receive money back from the District's SWIFT letter of intent.

I. SCADA Project Update

Project update: electronics are installed at all Plants, except at Plant 2. Plant 2 installation is delayed until March 1. Next step is for Tesco to install towers and radios so that information and data can be transmitted. By next flood season, the District should be able to monitor remotely.

J. District Committee Meeting Policy Confirmation

Before GM Devereux retires, he asked to revisit the Trustee Compensation Policy to clarify for staff. When Trustees attend committee meetings in person or by phone (regardless of serving on the Committee as a committee member), the compensation will be \$225 per day regardless of how many

meetings are attended in one day. The current policy limits compensation to \$675 per month, equivalent to three meetings.

6. Public Outreach Report

The new general manager will work with the Urbanization Committee to determine the future of the public outreach program.

7. District Counsel's Report

District Counsel Jim Day provided a verbal report of his activities during January 2019.


8. Superintendent's Report

Superintendent Don Caldwell provided a verbal report. A copy of the Superintendent's Report was included in the Board Packet.

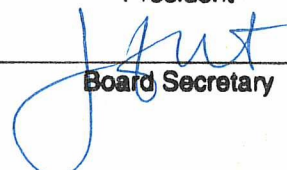
9. Correspondence/News/Information

No information to report.

10. Meeting Adjourned



President



Board Secretary