

RECLAMATION DISTRICT NO. 1000

Board of Trustees Action Summary

February 10, 2017

1633 Garden Hwy

Sacramento, CA 95834

Trustees Present: Avdis, Barandas, Christophel, Harris, Jones and Smith

Trustees Absent: Gilbert

Staff in Attendance: General Manager Devereux, Secretary Figueroa, Superintendent Caldwell
Attorney James Day, PR Consultant Karen Pardieck. Also in attendance was
consultant

Public Comment:

Dane Wadley, the local liaison for California Special District Association (CSDA) presented the District's 2017 Transparency Certificate of Excellence. This is a renewal of the District's Transparency Certification it first earned in 2014. This is a fairly new program within CSDA that began in 2013. He reported only 20 to 25 percent of Special Districts in the State have completed this Transparency Program. The Transparency Certificate of Excellence demonstrates the District's desire to be transparent and accountable to its constituents. President Smith thanked Mr. Wadley for his presentation

1. Approval of the Minutes – January 2017

It was moved by Trustee Avdis to adopt the minutes of January 13, 2017 as presented. The motion was seconded by Trustee Barandas, duly put and carried by a unanimous vote.

2. Administrative Items

A. Treasurer's Report for January 2017

Fund Balances for January 2017 are as follows:

Checking:	\$ 383,258.22
Money Market:	\$ 617,644.65
County Treasurer:	\$ 2,524,450.18
LAIF:	\$ 1,721,554.82
City Pool A:	\$ 1,010,894.68

Motion by Trustee Harris to approve the Treasurer's report as presented. The motion was seconded by Trustee Jones, duly put and carried by a unanimous vote.

B. Expenditure Report for January 2017

The expenditures for the month of January 2017 were \$153,831.18. Expenditures were from the Operations and Maintenance Fund.

3. COMMITTEE REPORTS

A. Confirm Committee Assignments

President Smith confirmed the committee assignments made in January with Trustee Jones now serving as Chair of the Urbanization Committee allowing each Board member to have a Committee leadership role. The Ad-Hoc Assessment Committee is no longer necessary and was absolved.

B. SAFCA Representatives

Trustee Barandas reported on items from the SAFCA Executive Committee meeting. He reported the first Corps of Engineers construction contract for the Natomas Levee Project was awarded on January 31. The engineering estimate for the project was \$16 million. The contract was awarded for \$19.3 million. On February 1 signs were posted on trees along Garden Highway near Interstate 5 that will be removed to accommodate the construction. He reported the Garden Highway may be closed as long as 5 months for the project starting in May or June. He reported there are issues with the Folsom Dam raise project due to spillway design considerations. Also relocating the abandoned landfill in Yolo County to accommodate widening of the Yolo Bypass will be done by the State and SAFCA.

There is a partial turnover of the Joint Federal Project (new Folsom spillway) at the end of February which means SAFCA is responsible for funding 80% of the Operations and Maintenance. However, there still are some remaining operation problems with the new spillway gates. The new Folsom Dam Water Control manual is to be completed in July.

General Manager Devereux reported the new spillway was not used during the recent storm events. Trustee Avdis stated they are concerned with vibrations on one of the new gates. The pin will be replaced, and should be in place at the end of the month.

Trustee Barandas reported the levee accreditation program is moving forward in the North Area. The Corps of Engineers and the State have signed a joint study on the widening of the Fremont Weir and upper Yolo By Pass.

SAFCA is working on obstacles to federal funding with the new administration. In addition, they are working with the State to get sufficient funds for their projects from the State's General Fund as all the Proposition 1E funds have been allocated

Trustee Smith reported the real estate required for the Natomas project is between \$5 and \$8 million. The State is staffing the right of way acquisition except for private property where eminent domain may be exercised in which case SAFCA will acquire. Staff has concerns the State can meet the project schedule for right of way acquisition.

C. Executive Committee

President Smith reported the Executive Committee met on February 1 to review the draft agenda for the February 10 Board meeting. The committee also discussed current tasks the General Manager is working on and the Capital Improvement Program. In

attendance were Trustees Smith and Barandas and GM Devereux. A copy of the minutes of the executive committee was included in the Board packet.

D. Finance Committee

Trustee Harris reported the Finance Committee met on February 3rd. The Committee discussed the proposed Request for Qualifications (RFQ) for outside financial/accounting services; mid-year Budget adjustments; and the anticipated increases in the District's CalPERS pension obligations along with some pre-funding options.

He then reported the Committee and staff then met with the auditor Mary Ann Cropper to review the 2015-16 audited financial statements which he noted the District received a clean audit. Ms. Cropper also had several recommendations for the District including a monthly close check list, and a policy for delinquent receivables. The Committee recommends adoption of the Financial Statements as presented.

In attendance at the meeting were Trustees Gilbert, Harris and Smith, ASM Figueroa, GM Devereux and Ms. Cropper. A copy of the minutes of the meetings was included in the Board packet.

4. BOARD BUSINESS

A. Adoption of 2015-16 Annual Audited Financial Statements

On the recommendation of the Finance Committee it was moved by Trustee Harris to adopt the 2015-16 Audited Financial Statements as presented. The motion was seconded by Trustee Christophel, duly put and carried by a unanimous vote.

B. Agreement with Sacramento County Sheriff for Off Duty Patrol

General Manager Devereux reported, over the last several years the District has seen an increase in trespassing and unauthorized camping in the floodways. This has resulted in a large amount of debris and trash in the system which is collected at the pumping plants or along the levees thereby increasing maintenance costs to remove. Additionally, camping in the floodway creates a public safety issue during storms when the water levels rise. Staff has attempted to work with the City and County law enforcement and others to collaborate on efforts to manage the issue but were unsuccessful. The Urbanization Committee recommended staff look into working with the Sacramento County Sheriff off-duty program. GM Devereux has brought an agreement with the Sacramento County Sheriff to the Board and is recommending they authorize the GM to execute.

After discussion it was moved by Trustee Avdis to authorize the General Manager to execute the agreement with the Sacramento County Sheriff's department for off-duty patrol as presented. The motion was seconded by Trustee Barandas, duly put and carried by a unanimous vote.

C. Sacramento County Investment Policy for the Pooled Investment Fund

The Sacramento County Investment Policy for the Pooled Investment Fund was received and filed by the Board of Trustees.

D. Sacramento Area Creeks Council – Creek Week Sponsorship

General Manager Devereux reported the District has sponsored and participated in the annual Creek Week community event for a number of years. The District generally contributes \$1000 to the event in cash and an equivalent amount in services. Last year our crew participated in the clean up as well as hauling the trash collected to the dump and paid the fees. The clean-up activities usually include the District's Main Drain Canal and West Drain through Fisherman's Lake. Staff is recommending the District continue its sponsorship for Creek Week.

It was moved by Trustee Avdis to sponsor the Creek Week event at the same level as previously. The motion was seconded by Trustee Harris, duly put and carried by a unanimous vote.

E. CalPERS – Pension Contribution Increase and options to Prefund Unfunded Liability

General Manager Devereux reported other public agencies are considering pre-funding some or all of their accrued unfunded pension liability. As CalPERS moves to lower its anticipated discount rate from 7.5% to 7.0% over the next few years, the employer rate for normal costs and accrued unfunded liability will increase. The Finance Committee has directed staff to look into the options of prefunding the unfunded liability and the benefits to doing so. Staff will report back to the Finance Committee with the information before it is brought to the Board

F. Mid-Year Budget Adjustment FY 2016-17

General Manager Devereux reported the majority of the proposed FY 16-17 mid-year budget adjustments are for capital projects with the increases being funded from the Capital fund. Other smaller adjustments are being proposed for the operations and maintenance budget. Both the Operations Committee and the Finance Committee have reviewed the proposed staff adjustments and are recommending approval.

Motion by Trustee Jones to approve the 2016-17 midyear budget adjustments as presented. The motion was seconded by Trustee Christophel, duly put and carried by a unanimous vote.

G. 13th Annual State of Natomas March 20, 2017

General Manager Devereux reported the Annual State of Natomas luncheon sponsored by the Natomas Chamber of Commerce will be on March 20, 2017. In prior years the District has sponsored a table and staff suggests the District do so again.

Motion by Trustee Avdis to sponsor a table at the Annual State of Natomas Luncheon. The motion was seconded by Trustee Harris, duly put and carried by a unanimous vote.

5. GENERAL MANAGER'S REPORT

A. Regional Flood Control Issues

GM Devereux reported that as Trustee Barandas indicated the Corps of Engineers has awarded the first Natomas Levee construction contract; however, the contractor who was not awarded the contract may file a protest. If that happens it could delay the project up to 100 days. He noted the District's consultant Steve Yeager will give a more detailed report on the various regional issues including the Corps Natomas project.

B. Flood Season Update

Superintendent Caldwell reported the field crews were on 24/7 levee patrol in January and as of February 6 they have been back on 24 hour patrol due to significant rainfall, rising river and canal levels. GM Devereux reported the crews are running the pumping plants and monitoring the levees. The Sacramento River gage at Verona is at 37.7 feet and rising. Folsom Dam is releasing 80,000 cfs, the most since 1997 and the Sacramento Weir was reopened by the State Department of Water Resources. The District has brought in 4 Natomas Mutual water company employees to assist on patrols. There is some clear seepage in the Delta Point apartments along the American River near Truxel similar to previous high river events but no significant levee issues in the District.

C. Update Corps of Engineers – Natomas Levee

Steve Yeager, a consultant hired by the District, updated the Board on the status of the Corps of Engineers Natomas Levee Improvement projects (NLIP). Trees have been tagged along the levee near Interstate 5 for removal. The second contract for Reach I (American River north levee) for the slope work and maintenance/patrol road has been pushed back to 2019. He discussed the status of right of way acquisition for both Reach I and Reach H along the Natomas East Main Drain Canal and the concerns with the State being able to meet the schedule.

Mr. Yeager then briefed the Board on future regional projects and the five year update to the Central Valley Flood Protection Plan (CVFPP) being prepared by the Central Valley Board (CVFPB) plan. The CVFPP plan includes a Management Plan Concept, Feasibility Report and Investment Strategy. All documents are available on the CFVPB website.

D. Encroachment Permits

General Manager Devereux reported he has not endorsed any encroachment permits this month.

E. Corp Yard – Building Addition Update

General Manager Devereux reported the Corporation Yard building improvements have been completed and have been signed off by the County inspector.

6) **TRUSTEE REPORTS**

General Manager Devereux reported that Trustee Avdis is now the Vice-Chair at AFCA.

Trustee Barandas reported on the meeting he attended for the Sacramento Local Special District Advisory Committee through the Sacramento LAFCO.

7) **Public Outreach Report – Karen Pardieck**

Ms. Pardieck reported on the upcoming meetings at the Gardenland-Northgate Community group. The video produced for the District will be presented for this group. She also reported on our recent meetings with Senator Pan, Supervisor Serna and Mayor Steinberg staff and the upcoming meeting with Sutter County Supervisor Conant.

8) **District Counsel's Report**

Attorney Day reported on activity of his firm on behalf of the District for January 2017.

9) **Superintendent's Report**

Superintendent Caldwell previously reported on the activities of the District crew, primarily pump operations and levee patrol. A copy of the Superintendent's reported was included in the Board packet. He noted we can expect a large spike in our power costs with all the rain and subsequent pumping we have done.

10) **Correspondence/News/Information**

General Manager Devereux reported he gave testimony at the joint City/County hearing on the homeless issues.

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

President

Secretary