

RECLAMATION DISTRICT NO. 1000

Board of Trustees Action Summary

May 19, 2017

1633 Garden Hwy

Sacramento, CA 95833

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

Trustees Absent: Harris, Gilbert

Staff in Attendance: General Manager Devereux, Secretary Figueroa, Attorney James Day, PR Consultant Karen Pardieck, Natomas PM Consultant Steve Yeager.

1. Approval of the Minutes – April 2017

Motion by Trustee Christophel to adopt the minutes of April 10, 2017 as presented. The motion was seconded by Trustee Avdis, duly put and carried by a unanimous vote.

2. Administrative Items

A. Treasurer's Report for April 2017

Fund Balances for April 2017 are as follows:

Checking:	\$ 641,814.07
Money Market:	\$ 617,765.15
County Treasurer:	\$ 2,567,517.06
LAI:	\$ 1,724,487.20
City Pool A:	\$ 1,010,894.68

Motion by Trustee Avdis 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 April 2017

The expenditures for the month of April 2017 were \$316,536.80. Expenditures from the Operations and Maintenance Fund were \$316,536.80.

3. COMMITTEE REPORTS

A. SAFCA Representatives

Trustee Barandas reported on the SAFCA Executive Committee meeting which met on May 4th. He reported that there had been an increase in the Federal 2017 budget of \$21.15 million for Natomas flood projects, \$20.74 million for the joint Federal (Folsom Dam) Project and zero for raising of the Folsom Dam. However, SAFCA did report that discretionary funding could be available for the raising of Folsom. The 2018 Federal Budget is projected to be released at the end of May 2017. Trustee Barandas also reported that the SAFCA budget has been released with total expenditures of \$85 million including \$70 million towards capital projects. Reach I of the Natomas Levee Project (I-5 to Northgate) has been re-issued to contractors for updated bids.

Initial design and rights of way for Reaches A and B along the Sacramento River East Levee are underway as well as final design for Reach H along the Natomas East Main Drain Canal and Reach D along the Natomas Cross Canal.

B. Executive Committee

President Smith reported the Executive Committee met on May 9 to review the agenda, discuss issues regarding the spare transformer at Plant 1, the future Administrative Service Manager position as well as the prospect of hiring a consultant to assist with asset management. . Also discussed at the May 9th Executive Meeting is the possibility of postponing or cancelling the June Board Meeting, to be discussed during Agenda Item 4B. Minutes from the meeting were provided in the Board's packet. In attendance at the meeting were Trustees Smith and Barandas, and General Manager Devereux. Trustee Harris participated via telephone.

C. Operations Committee

Trustee Barandas reported the Operations Committee met on April 21. The Committee reviewed the draft budget for 2017/2018, the current equipment inventory as well as proposed capital projects. Also discussed during the committee meeting was progress on the Capital Improvement Plan and the SCADA system. At the meeting Superintendent Caldwell discussed creating a working calendar for the crew and an operations calendar. In attendance at this meeting were Trustees Barandas, Christophel and Smith, Superintendent Caldwell and GM Devereux. A copy of the minutes were included in the Board packet.

D. Personnel Committee

Trustee Jones reported the Personnel Committee met on April 28. The Committee discussed performance review for GM Devereux as well as GM Devereux's memo outlining primary activities for the 3rd Quarter. The Committee also discussed moving Trustee fees to the Personnel section of the budget as well as cost of living increases. ASM Figueroa joined the meeting to discuss the 2017/2018 budget proposal and to review the ASM position brochure. In attendance at this meeting were Trustees Harris, Christophel and Jones, and GM Devereux. ASM Figueroa joined the meeting with item No. 2 of the Personnel Committee Agenda. A copy of the minutes were included in the Board packet.

4. BOARD BUSINESS

A. Declaration of Percentage of lands in the Agricultural Use for 2017 Election

Attorney Day briefly discussed the criteria in the California Water Code relative to determining the number of parcel and land assessment seats for our Board. The 20 day window for making the determination fell between the April and May board meetings and it was determined by staff during that period the percentage of agricultural acreage in the District exceeds the minimum 35% requirement so there will be no changes in the Board seats (four shall remain Land Assessments Seats and three Parcel Seats). After discussion it was moved by Trustee Avdis to ratify the current determination. The motion was seconded by Trustee Barandas, duly put and

carried by unanimous vote.

B. 2017 Winter Storms – FEMA Disaster Assistance

GM Devereux provided a brief update on the federal disaster declaration for the 2017 winter storm season. At this time the District is working with FEMA and CalOES for potential reimbursement of funds spent during the disasters. Three separate periods have been declared as disasters for the 2017 winter storm season.

C. Change Meeting Date for June Board Meeting

GM Devereux discussed the possibility of changing the June Board meeting to a later date or potentially cancelling the meeting altogether due to a conflict in schedules between the trustees. It was recommended by Trustee Smith to proceed with a cancellation after some discussion among the Board.

Motion by Trustee Jones to cancel the June Board Meeting. The motion was seconded by Trustee Avdis, duly put and carried by unanimous vote.

D. Draft Budget 2017-2018

GM Devereux discussed the draft budget for the upcoming 2017/2018 fiscal year providing a brief presentation of projected revenue and expenditure estimates. Projected totals are largely based off prior year actual expenditures. There will be an increase in power standby charges due to the increase of power usage this last 2017 flood season as well as an increase on facilities maintenance and improvements due to damages from the past flood season.. The value of continuing security patrol on pumping plants was briefly discussed with the general consensus that it is in the best financial interest of the district to continue patrols to deter vandalism.

E. Plant 1 Transformer

GM Devereux reported on the District's Plant 1 transformer issues. After the loss of a transformer at Plant 1 this past flood season, SMUD replaced it with the District's spare transformer we had purchased in 2003. He noted this was the transformer vandalized two years ago and repaired by SMUD. The spare transformer also failed within 48 hours after it was put in operation. SMUD is currently investigating the cause of the failures. It was discussed whether or not the District should proceed with purchasing another spare transformation to replace the loss. GM Devereux noted production time for the transformers used at Plant 1 can take several months so there is concern that a replacement will not be available before the next flood season. After much discussion by the Board, GM Devereux clarified SMUD is currently having the failed transformer repaired and/or replaced at their expense so that the Plant No. 1 will be operational by the flood season. The issue for the District is whether we should invest in another spare transformer for the Plant. After more discussion the Board requested staff do further research and discussion with SMUD to recommend the most practical and cost effective long term approach before proceeding with replacing the spare transformer.

F. Consultant Contract with CH2M for Asset Management

GM Devereux reported that in light of the budget discussions in might be in the best interest of the District to consider hiring an Asset Management Consultant, a service offered by the engineering consulting firm CH2M. There are some concerns of a potential conflict of interest due to members of the Board also being employed by CH2M though District Counsel Day did not believe there would be a conflict provided the Board approved a contract. However, staff is recommending that the District research other potential firms that offer Asset Management consultation and come back with a recommendation for the most qualified firm.

Trustee Avdis exited the meeting at 9:00am

5. GENERAL MANAGER'S REPORT

A. Regional Flood Control Issues

General Manager Devereux stated there is nothing additional to report on at this time.

B. Flood Season Update

General Manager Devereux reported that the reservoirs are continuing to be monitored and water releases will be lessening. River levels continue to be high but should begin to drop as snow melt subsides and additional water is being drawn from the river for agricultural purposes.

C. Update Corps of Engineers – Natomas Levee Project

Steve Yeager, the District's project management consultant reported on updates regarding the Natomas Levee Project. Regarding Reach I, the Corps has met with their legal counsel regarding the contractors bid protest and the criteria has been tightened and the two contractors who previously submitted bids will be submitting new proposals on May 22. There is little anticipation of progress along Reach I this year especially if bid protests continue. At best a seepage blanket will likely be placed under I-5 this June with construction of the cut off wall beginning May 2018. Mr. Yeager provided a general schedule handout regarding anticipated dates and work to be done on the remaining project and individual reaches.

D. Encroachment Permits

GM Devereux reported that at 7079 Garden Highway there has been significant erosion and loss of the property owners' waterside berm. The owners are working with Sacramento County and there is currently a daylight inhabitation only restriction of the residence. At this point it is not posing a threat to the levee, however, the District is working with MBK Engineers who are representing the owners and the Central Valley Flood Protection Board to obtain an emergency temporary permit to repair the bank.

E. Audio Visual Improvements to Board Room

General Manager Devereux stated that bids for the cost of an A/V system are still being reviewed but is estimating the costs to be approximately \$5000.

F. Development Project Coordination Activities

General Manager Devereux reported that they are continuing to work with the City on the Greenbriar and Panhandle proposed development projects as well as Sacramento County for the North Precinct project. .

6. TRUSTEE REPORTS

No reports.

7. Public Outreach Report – Karen Pardieck

Ms. Pardieck reported that the newsletter is currently underway and will be ready by the end of June, focusing on a dedication to ASM Figueroa whom will be retiring at the end of July. Ms. Pardieck reported she is continuing to post updates on social media with footage of the crew and will be attending a public Emergency Safety Fair with GM Devereux on May 31st. The District video produced by the California Special District Association is in the works and estimated to be completed in approximately one month.

8. District Counsel's Report

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

9. Superintendent's Report

Superintendent Caldwell was not in attendance. A copy of the Superintendent's report was included in the board packet.

10) Correspondence/News/Information

There were no correspondence or news updates at this time.

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

President

Secretary