

June 10, 2016
Sacramento, California

The Board of Trustees of the American River Flood Control District met in regular session in its office at 185 Commerce Circle, Sacramento, CA at 11:00 a.m. on Friday, June 10, 2016. In attendance were Trustee Simon, Trustee Holloway, Trustee Redway, Trustee Shah, and Trustee Pavão. Trustee Simon presided. Also present from the District were General Manager Tim Kerr, Superintendent Richard Marck, Field Supervisor Ross Kawamura, Office Manager Michelle Wilder, and District Counsel David Aladjem. Two members of the public were present.

Item No. 1 Public Comments on Non-Agenda Items: There were no comments on non-agenda items from members of the public.

Item No. 2 Approval of Consent Agenda Items: Items 2d) Finance Committee Recommendation: Annual Review of Credit Card Policy, Reserve Fund Policy, and Investment Policy and 2f) Correspondence: Letter received from Torres Martinez Desert Cahuilla Indians were removed from the consent agenda. On a motion by Trustee Holloway seconded by Trustee Pavão, the Board unanimously approved items 2a) Minutes of Regular Meeting on May 13, 2016, 2b) Approval of Report of Investment Transactions April 2016 and Treasurer's Certification, 2c) District Financial Reports: Statement of Operations (May 2016) and Cash Flow Report, and 2e) Adopt Resolution No. 2016-07: Levying a Benefit Assessment, Establishing the Rates Thereof, and Requesting Collection of Benefit Assessment.

Item No. 2d) Finance Committee Recommendation: Annual Review of Credit Card Policy, Reserve Fund Policy, and Investment Policy: Trustee Simon requested clarification regarding language in the Retiree Health Benefit Reserve Fund Policy. Trustee Shah noted that the policy will be reviewed by the Finance Committee. On a motion by Trustee Holloway seconded by Trustee Redway, the Board unanimously approved the item.

Item No. 2f) Correspondence: Letter received from Torres Martinez Desert Cahuilla Indians: Trustee Simon inquired about the location of the tribe. Following explanation by staff and on a motion by Trustee Redway seconded by Trustee Pavão, the item was unanimously received and filed by the Board.

Item No. 3 Approval of Accounts Payable May 2016 and General Fund Expenses: Trustee Simon requested clarification of payments to Alhambra, Grainger, OC Tint Shop, Sunstate Equipment, and White Cap. Trustee Pavão requested clarification of payments to Bell Marine, Kleinfelder, and Neff Rental. Following explanations by staff and on a motion by Trustee Pavão seconded by Trustee Shah, the Board unanimously approved payments on the Schedule of Accounts Payable (May 2016) of \$88,141.60 and General Fund Expenses of \$98,179.53 (total aggregate sum of \$186,321.13).

Item No. 4 Adopt Resolution No. 2016-08: Transfer of Funds from Capital Outlay Reserve Fund to District Operations Fund: On a motion by Trustee Redway seconded by Trustee Shah, the Board unanimously approved the item.

Item No. 5 Finance Committee Recommendations: a) District Budget FY 2016-17 and b) District 5-year Budget Projection: Trustee Shah stated that the Finance Committee met to review both the budget and 5-year projection. He noted that the District is seeing a positive cash flow due to no longer paying lease payments. This allowed the Committee to budget for Reserve Fund Transfers as an incremental step to meet reserve requirements. Trustee Simon asked about the Retiree Benefits expense category. Trustee Shah replied that the Retiree Benefits category increased due to the recent retirement of three employees. Trustee Shah also noted that there was a substantial decrease in employee related expenses. On a motion by Trustee Pavão seconded by Trustee Shah, the Board unanimously approved the item.

Item No. 6 Endorsement of CA Central Valley Flood Board Permit Application; Applicant: Pacific Gas and Electric Company (PG&E); Description: Maintenance and Inspection of 8-inch Gas Line at Highway 160: GM Kerr noted that the application is for a pre-existing 8-inch gas line that crosses the American River at Highway 160. PG&E intends to perform routine maintenance and inspection on the pipe including excavating an inspection pit, or bell hole, adjacent to the gas lines to install pressure taps. On a motion by Trustee Holloway seconded by Trustee Shah, the Board unanimously approved the item.

Item No. 7 Endorsement of CA Central Valley Flood Board Permit Application; Applicant: Pacific Gas and Electric Company (PG&E); Description: Relocation of Electricity Transmission Towers at Dry Creek and American River North Levee: PG&E intends to relocate three high voltage transmission electrical towers within the District. The goal of the relocation work is to improve overhead clearance of the transmission lines. On a motion by Trustee Holloway seconded by Trustee Shah, the Board unanimously approved the item.

Item No. 8 Endorsement of CA Central Valley Flood Board Permit Application; Applicant: Pacific Gas and Electric Company (PG&E); Description: Replacement of 4-inch Gas Line at Belden Avenue: PG&E requested permission to replace a 4-inch gas line that crosses Arcade Creek at Belden Avenue. The current gas line does not meet modern levee standards and needs to be replaced as part of the SAFCA North Area Streams Project. On a motion by Trustee Holloway seconded by Trustee Shah, the Board unanimously approved the item.

Item No. 9 Endorsement of CA Central Valley Flood Board Permit Application; Applicant: Pacific Gas and Electric Company (PG&E); Description: Replacement of 6-inch Gas Line at Belden Avenue: PG&E requested permission to replace a 6-inch gas line that crosses Arcade Creek at Belden Avenue. The current gas line does not meet modern levee standards and needs to be replaced as part of the SAFCA North Area

Streams Project. On a motion by Trustee Holloway seconded by Trustee Shah, the Board unanimously approved the item.

Item No. 10 Endorsement of CA Central Valley Flood Board Permit Application; Applicant: Pacific Gas and Electric Company (PG&E); Description: Abandonment of 6-inch Gas Line and Raising two (2) 4-inch gas lines at Arcade Creek: PG&E requested permission to abandon a 6-inch gas line that crosses the Natomas East Main Drainage Canal (Steelhead Creek). PG&E also requested permission to raise two (2) 4-inch gas lines that cross Arcade Creek at Norwood and Rio Linda Avenues. The current gas lines do not meet modern levee standards and need to be raised as part of the SAFCA North Area Streams Project. On a motion by Trustee Holloway seconded by Trustee Shah, the Board unanimously approved the item.

Item No. 11 Endorsement of CA Central Valley Flood Board Permit Application; Applicant: AT&T; Description: Raise Communication Conduits at Rio Linda Blvd and Arcade Creek: AT&T requested approval to elevate 15 communication conduits above the 200-year water surface elevation that cross the District levee at Arcade Creek and Rio Linda Blvd. The conduits need be raised prior to commencement of the SAFCA North Area Streams Project. On a motion by Trustee Holloway seconded by Trustee Shah, the Board unanimously approved the item.

Item No. 12 Endorsement of CA Central Valley Flood Board Permit Application; Applicant: Sacramento Municipal Utility District (SMUD); Description: Raise Electrical Conduits at Arcade Creek Pedestrian Bridge: SMUD requested approval to elevate three (3) electrical conduits above the 200-year water surface elevation that cross the District levee at Arcade Creek and the pedestrian bridge. The conduits need be raised prior to commencement of the SAFCA North Area Streams Project. On a motion by Trustee Pavao seconded by Trustee Redway, the Board unanimously approved the item.

Item No. 13 Letter of Support for Two Rivers Trail: The City of Sacramento Department of Public Works is applying for grant funding from the Active Transportation Program to implement the Two Rivers Trail on the south bank of the American River. A letter of support was requested from the District. GM Kerr recommends the Board provide a letter of support noting that all features must comply with the District's Recreational Trails Policy as well as Title 23 of the State Water Code. On a motion by Trustee Pavao seconded by Trustee Redway, the Board unanimously approved the item.

Item No. 14 Administrative Staff Reports:

a) *General Manager Tim Kerr reported on the following:*

- General Manager's May Meeting Summary: Wholesale Trailer Co. Fence Relocation Site Visit and Train Horn Quiet Zone meeting were discussed;

- Sutter's Landing Toe Road—Status & MOU: GM Kerr provided background on the progress of the project. He hired Diamond D Engineering to complete the precise slope grading to meet the City's specifications. Terms of the first and second amendments to the MOU were discussed. The District received a check for the work done in the fall of 2015. Concern was raised by the City that the District did not fulfill its commitments under the MOU so staff delayed depositing the check until the issue could be resolved. Trustee Pavão and Trustee Shah both expressed concern with not depositing the check. District Counsel Aladjem is working on a third MOU amendment to address completion of the project and replacement of the check when grant funds have been received by the State. On a motion by Trustee Pavão seconded by Trustee Holloway, the Board unanimously approved scheduling a Special Meeting for Friday, June 17 at 11:00 a.m. to review the proposed MOU amendment;
- La Riviera Parcel Land Transfer: GM Kerr briefed the Board on his discussion with the Flood Board on the possibility of providing a quit claim deed and transferring the parcel to state ownership. This would merge the parcel with the flood control system and allow the District to use the parcel as intended without restriction from the City zoning code. Trustee Holloway expressed concern regarding the proposal and recommended GM Kerr review the possibility of leasing the property to the state;
- Hydrologic Conditions: Folsom Lake is 83% full with an outflow of 4,000 cfs. The gauge at the I Street Bridge shows a water surface elevation 4.5 feet above sea level;
- Next Board Meeting is scheduled for July 8, 2016.

b) *Legal Counsel David Aladjem had nothing further to report.*

c) *Office Manager Michelle Wilder reported on the following:*

- 2016 District Election: Estimated Candidate Statement Cost: The estimated Candidate Statement cost is \$1,300;
- Summer Gathering at Capitol Bowl on June 11: The event is scheduled to take place on Saturday, June 11 with a cost share between the Board and the Employee Morale expense category.

Item No. 15 Operations and Maintenance Staff Reports:

a) *Superintendent Richard Marck reported on the following:*

- Crew activities including equipment maintenance, mowing, homeless camping concerns, and corrections to the ramp at Sutter's Landing;

Item No. 16 Questions and Comments by Trustees: There were no questions or comments by Trustees.

Item No. 17 Adjourn: There being no further business requiring action by the Board, the meeting was adjourned by Trustee Simon at 12:35 p.m.

Attest:

Secretary

President