



**RECLAMATION DISTRICT NO. 1000
BOARD OF TRUSTEES MEETING**

**MARCH 10, 2023
MEETING MINUTES**

Members of the Board of Trustees and the public participated in this meeting in person and by teleconference. Present were Board President Elena Lee Reeder; Vice President Thomas M. Gilbert; Trustee Nick Avdis; Trustee Jag Bains, Trustee Thomas Barandas, Trustee Edwin Perez; Trustee Thomas W. Smith; General Co-Counsel Rebecca Smith; General Co-Counsel Scott Shapiro; General Manager Kevin King; Operations Manager Gabe Holleman; Administrative Services Manager Joleen Gutierrez and Administrative Assistant Christina Forehand.

1. PRELIMINARY

1.1. Call Meeting to Order

Board President Elena Lee Reeder called the March 10, 2023 Board meeting to order.

Note: General Manager Kevin King participated remotely.

1.2. Roll Call

Board Secretary Gutierrez called the roll.

PRESENT: Trustee Lee Reeder, Trustee Gilbert, Trustee Avdis, Trustee Bains, Trustee Barandas, Trustee Perez, Trustee Smith

ABSENT: None

1.3. Approval of Agenda

Trustee Lee Reeder requested that trustees identify themselves when making a motion.

MOVED/SECOND: Trustee Avdis/Trustee Perez

AYES: Trustee Lee Reeder, Trustee Gilbert, Trustee Avdis, Trustee Bains, Trustee Barandas, Trustee Perez, Trustee Smith

NOES: None

ABSENT: None

ABSTAIN: None

RECUSE: None

ACTION: The motion to approve the March 10, 2023 agenda is approved.

1.4. Pledge of Allegiance

The Pledge of Allegiance was led by Trustee Bains.

1.5. Conflict of Interest (*Any Agenda items that might be a conflict of interest to any Trustee should be identified at this time by the Trustee involved*)

There were no conflicts of interest identified by the Trustees.

2. PUBLIC HEARING

2.1. PUBLIC HEARING ON PROPOSED RD 1000 STORMWATER SERVICE FEE: Conduct Public Hearing On Property-Related Fee Pursuant to Cal. Const. Article XIII D, Section 6 (Assessment and Property Related Fee Reform – Prop 218).

Trustee Lee Reeder stated that public commenters, including those online, who wished to speak would be allowed to do so. The time limit would be three minutes per person. There will be a final call for ballots afterward.

General Manager Kevin King provided background information on the 4Natomas program, which started a few years ago. In 2020, the District initiated a Capital Improvement Plan (CIP) update – a 30-year plan to replace aging infrastructure at specific intervals. Infrastructure life-cycle replacement would increase operational reliability while decreasing infrastructure failure and flood risk. The planned improvements would exceed current district revenue, so in 2021, a Comprehensive Financial Plan (CFP) was designed and approved by the Board. Phase 1 of the CFP worked with a financial model and studied the expenditures and revenue requirements for the next 30 years. Phase 2 of the CFP commenced in 2022 and was approved in November 2022. Phase two developed a funding plan for a flood-safe future.

GM King presented the history of district funding, the evolution of Natomas, the current state of RD1000 infrastructure, the concept of the “perfect storm,” the proposed new approach, and the public process.

Presently, the District receives \$3.7 million annually, with \$2.3 million coming from an existing district assessment and \$1.4 million coming from SAFCA’s Consolidated Capital Assessment District #2 (CCAD2), which will end in roughly 20 years. The District’s last rate change was in 1992. In Natomas, the cost of living has outpaced district rates. In 1992, an average home cost \$121,000; in 2022, the average price for the same-sized house was over \$800,000. District rates have remained static during this period. Since 1995, the need for flood protection has increased tremendously, with the basin now hosting almost 160,000 residents.

The current infrastructure is in a run-to-failure mode, as most of the infrastructure is past its useful life. Sacramento International Airport was nearly flooded in February due to an electrical explosion at Pumping Plant 2. Emergency repairs brought the plant back to 50% running capacity, and a catastrophe was avoided. Between the static funding rates, the exponential growth of the population in Natomas, and deferred infrastructure repairs, a “perfect storm” is created for elevated catastrophic flood risk. A new approach has been

developed to counteract the growing threat. A fiscally responsible future is a priority and will be ensured by identifying current and future infrastructure investment, comprehensive financial planning, and closing the funding gap. The District did not experience a majority protest during the November 2022 Proposed Stormwater Fee Hearing and did not experience a majority protest at the March 10 hearing, which concludes the second step.

GM King states there has been a significant effort in public outreach, and the District has worked hard to provide transparency to ensure that the fee is fiscally responsible and fair. There has also been an effort to educate the public on the need for flood funding. The vote tally will begin next week, and ballots will be opened following the hearing.

Trustee Lee Reeder opened the hearing for public comment.

Commentor Mr. Norman, needed to understand certain aspects of the methodology. He asked GM King to confirm that the service fee rate for agricultural land development is \$335 per acre. GM King indicated he would need to review the report, but he mentioned rate did not seem correct. He believes the rate will likely be about \$227 per acre. Mr. Norman indicated that he read in the draft report that the rate range was between \$200 and \$300. A \$250 per acre rate for farmers is only sustainable if the land is producing (i.e., a rice field). It is an excessive burden for those who own hundreds of acres. It is his opinion that the methodology should have been based on valuation.

Trustee Lee Reeder inquired whether public members online wished to comment. GM King indicated that no other public members were in virtual attendance.

Trustee Avdis asked GM King to respond to Mr. Norman's concerns over the burden on agricultural land.

GM King stated that the rates mentioned on the ballot equate to about \$227 per acre. The rate is applied equitably across all land in the District. However, the rates charged based on gross acreage are subject to an impervious surface coefficient (ISC) factor. For agricultural grounds, the ISC factor is 0.04. The gross square footage of a parcel is reduced by the ISC factor, resulting in the net square footage being significantly less than the gross acreage. ISC factors incorporate land use, with agricultural use having the lowest factor. Every acre in the District is charged at the same rate per net square foot. Once the ISC is applied, agricultural landowners, pay the least per acre in recognition of the infiltration rate.

Mr. Norman believes the farming industry will be impacted due to the hefty total fee.

GM King shared that he previously calculated a net difference for an agricultural producer who owns 1,400 acres to be \$6 per acre.

Trustee Avdis asked GM King to confirm that the per acre fee was derived from the calculation of the gross fee and the ISC factor calculation.

GM King reiterated that the gross rate is the same across all land in the District, and the ISC factor causes the difference. Sacramento County will pay most of the fee increase due to the airport. Twenty percent of the annual \$3.3 million revenue will come from the airport. Because agricultural land has less impervious land, such as concrete and asphalt, and therefore less runoff, their ISC is lower.

Trustee Avdis asked GM King to confirm that the per acre fee he calculated from the individual previously mentioned was \$6 per acre. GM King confirmed this statement.

Trustee Lee Reeder announced a last call for the public to submit ballots. A five-minute recess was announced at 8:32 am.

Board President Lee Reeder reconvened the meeting at 8:38 am. She announced the period for public comment closed. She entertained a motion to direct staff to begin tabulation and report the results on April 14, 2023, at 8 am.

MOVED/SECOND: Trustee Avdis/Trustee Smith

AYES: Trustee Lee Reeder, Trustee Gilbert, Trustee Avdis, Trustee Bains, Trustee Barandas, Trustee Perez, Trustee Smith

NOES: None.

ABSENT: None.

ABSTAIN: None.

RECUSE: None.

ACTION: The motion to direct staff to begin the Stormwater Fee ballot tabulation and announce results by April 14, 2023 at 8 am is approved.

3. PUBLIC COMMENT (NON-AGENDA ITEMS)

Any person desiring to speak on a matter which is not scheduled on this agenda may do so under the Public Comments section. Speaker times are limited to three (3) minutes per person on any matter within RD 1000's jurisdiction, not on the Agenda.

There were no public comments made in person or virtually.

4. INFORMATIONAL ITEMS

4.1. GENERAL MANAGER'S REPORT: Update on activities since the February 2023 Board Meeting.

A copy of General Manager King's report has been included in the March 10 Board Packet.

Trustee Lee Reeder requested to discuss the State of Natomas Sponsorship item in the GM's report. [Item 4.1 Attachment 2]

GM King announced that the Natomas Chamber's State of Natomas event is on March 23. The District has received an invitation to attend and sponsor the event. As in years

past, it is an opportunity to connect and receive updates from local leaders and businesses.

Trustee Perez noted that the chamber may have requested a district speaker to discuss recent storms. GM King has not received the request but would happily speak at the event.

Trustee Smith asked for more information about this event. GM King described this year's event as a mixer and dinner. Trustee Avdis noted that it is important to be actively engaged in our community, it is an opportunity to convey what we do, and he fully supports the event. Trustee Gilbert added that attending is good for transparency and community connection and supports the District in attending this event. GM King asked for the Boards comfort level of sponsorship. The Board acknowledged comfort with Platinum sponsorship (\$1800). Trustees were asked to contact GM King to confirm attendance. A motion is not necessary.

4.2. OPERATIONS MANAGER'S REPORT: Update on activities since the Feb. 2023 Board Meeting.

GM King made known that the District is prepared for the upcoming storms.

The Sacramento River Verona Station is significantly lower than the 32 ft mark with necessitates 24/7 patrolling. Trustee Gilbert inquired when the weirs would open. GM King stated that the weirs open after several consecutive days above 32 ft and rising.

4.3. DISTRICT COUNSEL'S REPORT: Update on activities since the February 2023 Board Meeting.

Counsel Rebecca Smith verbally updated work performed in the past month. She reminded everyone that for absence or remote Board meeting participation, it is necessary to give staff an early heads up so the information can be appropriately added to the agenda and meeting coverage.

5. **CONSENT CALENDAR**

The Board considers all Consent Calendar items to be routine and will adopt them in one motion. There will be no discussion on these items before the Board votes on the motion, unless Trustees, staff or the public request specific items be discussed and/or removed from the Consent Calendar.

MOVED/SECOND: Trustee Perez/Trustee Barandas

AYES: Trustee Lee Reeder, Trustee Gilbert, Trustee Avdis, Trustee Bains, Trustee Barandas, Trustee Perez, Trustee Smith.

NOES: None.

ABSENT: None.

ABSTAIN: None.

RECUSE: None.

ACTION: The motion to approve Consent Calendar Items 5.1 through 5.4 is approved.

5.1. APPROVAL OF MINUTES: Approval of Minutes from the February 10, 2023 Board Meeting.

5.2. TREASURER'S REPORT: Approve Treasurer's Report for February 2023.

5.3. EXPENDITURE REPORT: Review and Accept Report for February 2023.

5.4. BUDGET TO ACTUAL REPORT: Review and Accept Report for February 2023.

6. SCHEDULED ITEMS

6.1. ASSEMBLY BILL 557: Review and Consider Authorizing the General Manager to Submit a Letter of Support for Assembly Bill 557

The California Special Districts Association (CSDA) requests a letter of support for AB 557 (Hart) Open Meetings: local agencies. Teleconferences. The CA Constitution generally requires local agencies to ensure public access and to attend meetings of the legislative body of a local agency.

GM King describes this bill as a bridge between the executive order that recently suspended remote meetings and Brown Act Requirements. As introduced, this bill would enable local agencies to meet remotely should there be a proclaimed state of emergency in the future and set forth broadcasting options for public participation.

CSDA is requesting letters of support from their membership.

MOVED/SECOND: Trustee Avdis/Trustee Gilbert

AYES: Trustee Lee Reeder, Trustee Gilbert, Trustee Avdis, Trustee Bains, Trustee Barandas, Trustee Perez, Trustee Smith.

NOES: None.

ABSENT: None.

ABSTAIN: None.

RECUSE: None.

ACTION: The motion to authorize General Manager King to submit a Letter of Support for AB 557 (Hart) is approved.

6.2. CALIFORNIA SPECIAL DISTRICTS ASSOCIATION CALL FOR NOMINATIONS: Review and Consider Nominations for California Special Districts Association Call for Nominations

General Manager King stated that CSDA sends out a Call for Nominations to run for their Board every couple of years. Typically, Board members or executive staff are nominated. None of the Trustees expressed their interest in being nominated. GM King made know that he was interested in being nominated for the Sierra Network, Seat C.

Trustee Smith inquired about the time commitment to serve on the CSDA Board. GM King expects the time commitment to be minimal with limited travel and sees a great benefit to the District by having a representative on the CSDA Board.

Trustee Perez believes having a reclamation district member on the CSDA Board is important. He supports nominating GM King for the Sierra Network Seat C.

Trustee Avdis moved to nominate Kevin King to run for the CSDA Board Sierra Network Seat C.

MOVED/SECOND: Trustee Avdis/Trustee Smith

AYES: Trustee Lee Reeder, Trustee Gilbert, Trustee Avdis, Trustee Bains, Trustee Barandas, Trustee Perez, Trustee Smith.

NOES: None.

ABSENT: None.

ABSTAIN: None.

RECUSE: None.

ACTION: The motion to nominate General Manager Kevin King to run for the CSDA Board Sierra Network Seat C is approved.

7. BOARD OF TRUSTEE'S COMMENTS/REPORTS

7.1. BOARD ACTIVITY UPDATES:

7.1.1. RD 1000 Committee Meetings Since Last Board Meeting

- Urbanization Committee (Lee Reeder, Barandas, Smith) February 22, 2023
- Executive Committee (Lee Reeder & Gilbert) March 1, 2023

7.1.2. RD 1000 Committees No Meetings Since Last Board Meeting

- Finance Committee
- Legal Committee
- Operations Committee
- Personnel Committee

8. CLOSED SESSION

There were no Closed Session items scheduled.

9. ADJOURN

MOVED/SECOND: Trustee Avdis/Trustee Lee Reeder

AYES: Trustee Lee Reeder, Trustee Gilbert, Trustee Avdis, Trustee Bains, Trustee Barandas, Trustee Perez, Trustee Smith

NOES: None.

ABSENT: None.

ABSTAIN: None.

ACTION: Motion to adjourn the meeting is approved.