



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

**DECEMBER 10, 2021  
MEETING MINUTES**

In compliance with CA Assembly Bill 361, members of the Board of Trustees and members of the public will participate in this meeting by teleconference. This meeting was recorded without objection. Present were Board President Thom Gilbert; Board Vice President Elena Lee Reeder; Trustee Nick Avdis; Trustee Jag Bains; Trustee Tom Barandas; Trustee Chris Burns; Trustee Debra G. Jones; Co-General Counsel Rebecca Smith; General Manager Kevin King; Operations Manager Gabriel Holleman; Administrative Services Manager Joleen Gutierrez, Administrative Assistant Christina Forehand.

**1. PRELIMINARY**

1.1. Call Meeting to Order

Board President Thom Gilbert called the meeting to order.

1.2. Roll Call

Present: Trustee Thom Gilbert, Trustee Elena Lee Reeder, Trustee Nick Avdis (left the meeting at 10 am), Trustee Jag Bains, Trustee Tom Barandas, Trustee Chris Burns, Trustee Debra G. Jones  
Absent: None

1.3. Approval of Agenda

There were no changes to the agenda.

1.4. Pledge of Allegiance

Board President Thom Gilbert led the Pledge of Allegiance.

1.5. Election of Board President and Vice President

Every December, the Board elects the Board President and Vice President, allowing the Board President to designate Board Committee assignments and have assignments confirmed at the January Board Meeting. General Manager Kevin opened the floor for nominations.

Trustee Nick Avdis nominated Thom Gilbert to serve as Board President. Thom Gilbert accepted the nomination. There were no other nominations.

MOVED/SECONDED: Trustee Nick Avdis/Trustee Chris Burns

AYES: Trustee Thom Gilbert, Trustee Elena Lee Reeder, Trustee Nick Avdis, Trustee Jag Bains, Trustee Tom Barandas, Trustee Chris Burns, Trustee Debra G. Jones

NOES: None

ABSTAIN: None

ABSENT: None

ACTION: Motion to have Thom Gilbert serve as Board President is approved.

General Manager King opened the floor to nominations for Vice President. Elena Lee Reeder was nominated to serve as Vice President. She accepted the nomination as Vice President. There were no other nominations.

MOVED/SECONDED: Trustee Nick Avdis/Trustee Chris Burns

AYES: Trustee Thom Gilbert, Trustee Elena Lee Reeder, Trustee Nick Avdis, Trustee Jag Bains, Trustee Tom Barandas, Trustee Chris Burns, Trustee Debra G. Jones

NOES: None

ABSTAIN: None

ABSENT: None

ACTION: Motion to have Elena Lee Reeder serve as Board Vice President is approved.

#### 1.6. Designation of Board Secretary

General Manager King stated that every year in December, we designate the Board Secretary. Staff recommends the current secretary continues in that role. Board President Thom Gilbert motioned to have Joleen Gutierrez continue as Board Secretary.

MOVED/SECONDED: Trustee Thom Gilbert/Trustee Chris Burns

AYES: Trustee Thom Gilbert, Trustee Elena Lee Reeder, Trustee Nick Avdis, Trustee Jag Bains, Trustee Tom Barandas, Trustee Chris Burns, Trustee Debra G. Jones

NOES: None

ABSTAIN: None

ABSENT: None

ACTION: Motion to have Joleen Gutierrez serve as Board Secretary is approved.

#### 1.7. Conflict of Interest

There were no conflicts of interest identified.

## 2. **PRESENTATIONS**

#### 2.1. No Scheduled Presentations

There were no scheduled presentations.

## 3. **PUBLIC COMMENT (NON-AGENDA ITEMS)**

There were no public comments made.

## 4. **INFORMATIONAL ITEMS**

#### 4.1. GENERAL MANAGER'S REPORT: Update on activities since the November 2021 Board Meeting. General Manager King gave a verbal update on items not included in the GM's written report.

General Manager Kevin King provided an update on Rosin Court. He is negotiating the Board's deal points, and he will return to the Board with a draft agreement in the first quarter of 2022.

General Manager King made known that high winds and storms are on the horizon, with an estimate of three inches of precipitation. While he believes the District is ready to handle the forecasted storm event, he raises concern due to last year's wind events that knocked out SMUD power poles. After the October storm events, we experienced significant electrical failures at Plant 8. We have since replaced a control module, and the pump is operational; however, considerable wiring repairs are still needed for other pumps at Plant 8 to bring them online. We are currently at 45% pump capacity at Plant 8, which indicates the need to upgrade this facility. The District is under contract with KSN for the design. Wiring upgrade costs alone are already estimated at 100k.

The Plant 4 transformer is installed and operational. We are waiting for the rest of the facility repairs to be completed. Plant 3 still has significant work needed on the discharge pipes to get it running and will be unavailable to us throughout the remainder of the flood season.

Trustee Nick Avdis requested the status of Pumping Plant 1A and 1B. GM King stated 1B is operational, and we have capacity. Pumping Plant 1A is currently unavailable to operate. The CIP calls for complete replacement once funding is available.

GM Kevin King is working to meet with the Corps project management group in January to discuss future contracts on Reach A and working to have our pumping plants available to us during flood season. GM King continues to work with legal counsel, Paul Devereux, and SAFCA on the relocation agreement for Pumping Plant 1A and 1B on assurances and timing, and sequencing of construction projects. Trustee Avdis continues to express great concern that we have only one pumping plant available on the west side of the Basin. He encourages everyone to be hyper-focused on this issue, as our CIP is focused on deferred maintenance, but it is not funded. We need to make additional investments in our infrastructure.

Trustee Chris Burns asked if we have a contingency plan if plants are not placed online during construction. GM King explained that he is working to put contingency plans in place. Although much of this is determined by the Corps.

#### 4.2. OPERATIONS MANAGER'S REPORT: Update on activities since the Nov. 2021 Board Meeting.

A copy of the Operation Manager's Report has been included in the December 10 Board Packet.

General Manager King, made known that weekly trash removal along the rural parts of E. Levee Rd. will soon begin. In places where no one is claiming individual property, staff has no choice but to assume it is debris and remove it to ensure that the District can safely inspect the levee. GM King cautioned that there is a risk involved in removing items. He would like to develop a policy to address the ongoing trash situation. He advised the Board that we may receive complaints from this population moving forward. GM King will also create a draft policy to address the ongoing trash issue for further Board discussion.

Operation's Manager Gabe Holleman states that he has been working with Blankenship & Associates and our chemical supplier to apply a solution along Natomas Cross Canal to reduce native grass growth at a particular stage. Stunting growth reduces the costs associated with mowing several times throughout the year.

#### 4.3. DISTRICT COUNSEL'S REPORT: Update on activities since the November 2021 Board Meeting.

Co-General Counsel Rebecca Smith provided a verbal update on her activities since the November 2021 Board Meeting.

### 5. **CONSENT CALENDAR**

*The Board considers all Consent Calendar items to be routine and will adopt them in one motion.*

Trustee Nick Avdis made a motion to approve the Consent Calendar, with the following change to Item 5.5 Resolution 2021-12-01 – Change the date from October 8 to October 12 to coincide with the Board meeting date.

MOVED/SECONDED: Nick Avdis/Elena Lee Reeder

AYES: Trustee Thom Gilbert, Trustee Elena Lee Reeder, Trustee Nick Avdis, Trustee Jag Bains, Trustee Tom Barandas, Trustee Chris Burns, Trustee Debra G. Jones

NOES: None

ABSTAIN: None

ABSENT: None

ACTION: Motion to approve Consent Calendar Items 5.1 -5.5 with the recommended date change to Item 5.5 Resolution 2021-12-01 is approved.

5.1. APPROVAL OF MINUTES: Approval of Minutes from November 12, 2021, Regular Board Meeting.

5.2. TREASURER'S REPORT: Approve Treasurer's Report for November 2021.

5.3. EXPENDITURE REPORT: Review and Accept Report for November 2021.

5.4. BUDGET TO ACTUAL REPORT: Review and Accept Report for November 2021.

5.5. ASSEMBLY BILL 361: Review and Consider Adoption of Resolution No. 2021-12-01 - Proclaiming a Local Emergency, Ratifying the Covid-19 State of Emergency, and Authorizing Remote Teleconference Meetings of Reclamation District No. 1000 Pursuant to The Ralph M. Brown Act

## **6. SCHEDULED ITEMS**

6.1. AUDITED FINANCIAL STATEMENTS: Review and Receive the Audited Financial Statements for Year-End June 30, 2021.

District Consultant Ingrid Shepline, a managing partner from Richardson & Company, and District Consultant Accountant Robert Merritt from Chavez Accountancy were present. Ms. Shepline provided a verbal overview of Audit Highlights. A copy of the District's FY (Fiscal Year) 20-21 Audited Financial Statements has been included in the December 10 Board Packet. Ms. Shepline described the Audit as clean with no material weaknesses. Also provided is a management letter with recommendations for improving controls and processes.

General Manager Kevin King noted that the Finance Committee recommended the Board Receives and File the Audit Report.

MOVED/SECONDED: Trustee Debra G. Jones/Trustee Jag Bains

AYES: Trustee Thom Gilbert, Trustee Elena Lee Reeder, Trustee Nick Avdis, Trustee Jag Bains, Trustee Tom Barandas, Trustee Chris Burns, Trustee Debra G. Jones

NOES: None

ABSENT: None

ABSTAIN: None

ACTION: Motion to Review and File the FY 20-21 Audited Financial Statements is approved.

6.2. COMPREHENSIVE FINANCIAL PLAN PHASE 2.1: Review and Consider Approval of Phase 2.1 of the District's Comprehensive Financial Plan and Authorize General Manager to Proceed with Phase 2.2.

As directed by the Board, General Manager Kevin King returns to the Board to approve Phase 2.1 (the Property Related Rate Modeling Report) for the District's Comprehensive Financial Plan. He

also seeks authorization to Proceed with Phase 2.2. (Investigate fee-related impacts to individual parcels in the Basin). GM King anticipates returning to the Board to approve a fee in November of 2022 and then starting the public process to enact a fee to increase revenue for the District based on the CIP and other projections in Phase 1 of our Comprehensive Financial Plan. He anticipates the fee being on the County Assessment and Fee Roll by June or July 2023. GM King stated it is the recommendation of the Finance Committee to approve Phase 2.1 and proceed with Phase 2.2.

District Consultant Greg Ghironzi from NBS provided a high-level walk through the Rate Modeling Report 2.1 explaining the difference between taxes, assessments, and property-related fees. A copy of the report has been included in the December 2021 Board Packet.

Trustee Chris Burns requested that NBS reference the source of Customer Class and ISC numbers used. Trustee Burns inquired whether the District will apply the same fees to developers using the same methodology. GM King stated that to be consistent, we would need to update the District's Development Impact Fee to be consistent with the new application of rates.

There were no public comments.

Moved/Seconded: Trustee Thom Gilbert/Trustee Tom Barandas

AYES: Trustee Thom Gilbert, Trustee Elena Lee Reeder, Trustee Nick Avdis, Trustee Jag Bains, Trustee Tom Barandas, Trustee Chris Burns, Trustee Debra G, Jones

NOES: None

ABSENT: None

ABSTAIN: None

ACTION: Motion to approve Phase 2.1 and authorize the General Manager to work with NBS to develop Phase 2.2 and return to the Board with a final recommendation is approved.

6.3. COST ALLOCATION PLAN: Review and Consider Adoption of Resolution 2021-12-02, District's Cost Allocation Plan and Implementation of Full Cost and OMB Compliant Rates.

District Consultant Courtney Ramos from the Matrix Consulting Group presented a project overview of the Cost Allocation Plan, direct and indirect rates, and developed district rates. A report of the Full Cost and OMB Compliant Indirect Cost Rates has been included in the December 2021 Board Packet.

General Manager, Kevin King, asked the Board to approve four different rates for Full Cost Allocation and OMB Compliant Rates which we would use for Federal grants.

GM King would provide notification and a rate sheet to Developers that are currently under agreement. The new cost allocation rate sheet will be updated annually in June based on actuals from the year before.

MOVED/SECONDED: Trustee Debra G. Jones/Trustee Burns

AYES: Trustee Thom Gilbert, Trustee Elena Lee Reeder, Trustee Jag Bains, Trustee Tom Barandas, Trustee Chris Burns, Trustee Debra G. Jones

NOES: None

ABSENT: Trustee Nick Avdis

ACTION: Motion to approve Resolution 2021-12-02 is approved.

6.4. NATOMAS BASIN INTERIOR LEVEE RE-CERTIFICATION: Review and Consider Authorizing the General Manager to Negotiate a Reimbursement Agreement with the City of Sacramento for Funding Geo-Technical Investigations.

General Manager, Kevin King, made known that we have a situation completing levee recertification for the Natomas Basin. The District, Corps, SAFCA, the State, and everyone involved has been working toward FEMA recertification. The community has been told for years that we need to get back to 100-year and 200-year flood protection, and the promise has been that if successful flood insurance may not be required, and the building moratorium has been lifted. That could potentially be a forfeiture if we do not submit a Letter of Map Revision to FEMA for approval in the 2025 timeframe.

SAFCA has been working on the exterior levee, and we are doing our SWIF implementation to remove encroachments is to be able to get recertified on our exterior levee. The second component is interior levee recertification, and the City of Sacramento, as the Floodplain Manager, is responsible.

The City retained KSN, and the consultant identified significant geotechnical data deficiencies to recertify the interior levee system. KSN has identified about \$1 million worth of work that is needed. The District has learned that the City of Sacramento does not have funding (in place today) to complete geotechnical borings that must be initiated by June 2022.

To stay on track with FEMA recertification, GM King proposes that RD1000 make \$1 million available to initiate the work for geotechnical borings to occur by June 2022, providing that we enter into a reimbursement agreement with the City. He states that we already have \$600k budgeted for CIP engineering work, so GM King requests a \$400k budget amendment from the CIP Reserve to fund the \$1 million. He would enter into a favorable agreement with the City with fair and applicable interest. The general manager would work with Counsel Rebecca Smith to negotiate a reimbursement agreement.

MOVED/SECONDED: Trustee Chris Burns/Trustee Nick Avdis

AYES: Trustee Thom Gilbert, Trustee Elena Lee Reeder, Trustee Nick Avdis, Trustee Jag Bains, Trustee Tom Barandas, Trustee Tom Barandas, Trustee Chris Burns, Trustee Debra G. Jones

NOES: None

ABSENT: None

NONE: None

ACTION: The Motion to make a Budget Amendment of \$400k out of reserves and into our CIP and direct the General Manager and District Counsel to negotiate and execute a reimbursement agreement with the City of Sacramento 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

- Finance Committee (Gilbert, Bains & Burns) November 23, 2021
- Executive Committee (Gilbert & Lee Reeder) December 1, 2021

7.1.2. RD 1000 Committees No Meetings Since Last Board Meeting

- Legal Committee (Avdis, Barandas & Lee Reeder)
- Operations Committee (Bains, Barandas & Burns)
- Personnel Committee (Jones, Bains & Barandas)
- Urbanization Committee (Lee Reeder, Avdis & Jones)

**8. CLOSED SESSION**

8.1. No Scheduled Closed Session Items

**9. ADJOURN**

MOVED/Seconded: Burns/Gilbert

AYES: Trustee Thom Gilbert, Trustee Elena Lee Reeder, Trustee Nick Avdis, Trustee Jag Bains, Trustee Tom Barandas, Trustee Tom Barandas, Trustee Chris Burns, Trustee Debra G. Jones

NOES: None

ABSENT: Nick Avdis

NONE: None

ACTION: Motion to adjourn the meeting is approved.